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EEC Seeks Non-U.S. Plan For Economic Recovery

By Paul Lewis

COPENHAGEN, April 9 (NYT)—Western European leaders agreed here yesterday to try to devise their own plans for economic recovery independently of the United States.

The plans call for a higher rate of economic growth and closer coordination of the European currencies to protect them against fluctuations of the dollar.

The proposals, to be presented to President Carter and to Canadian and Japanese leaders at a meeting in July in Bonn, will seek an annual rate of growth of 4.5 per cent by the middle of next year. The projected rate for this year is 2.8 per cent.

The West European leaders, heads of the nine Common Market governments, also sought to head off a dispute with the United States by reluctantly indicating a readiness to discuss tighter safeguards for the use of the enriched uranium imported from the United States. But they made it clear that they would not agree to renegotiate the existing contract for uranium supplies as required by new U.S. legislation.

In agreeing yesterday to work toward European recovery, the leaders of Western Europe's strongest economic power, West Germany, nonetheless gave no real sign that it was prepared to take more expansionary measures itself.

Chancellor Helmut Schmidt said the hope of achieving a 4.5 per cent rate of growth by mid-1979 was "ambitious."

But the Europeans implicitly abandoned the U.S. tactic of urging West Germany and Japan to lead the world into stronger growth, which so far has not brought results. Instead, they stressed overall expansion as part of a package of reforms.

They said that only by meeting West Germany's legitimate concern about currency instability and creeping protectionism could other countries expect its government to take expansionary measures that would benefit everyone.

No detailed economic decisions were made at the summit meeting. But the West European leaders did agree to try to come up with a recovery plan of their own that would involve tighter links between their currencies, free trade, support for the International Monetary Fund's plan for the purchase of dollars and a general measure of economic growth.



Opposition leader Lorenzo Tanada shouts "Laban" (fight) from police van as he and other Philippine opposition leaders are hauled away from a Manila protest march.

Egypt Expects Effort by U.S. On New Talks

By Christopher S. Wren

CAIRO, April 9 (NYT)—Egypt is anticipating a new diplomatic effort shortly by the United States to revive the stalled peace negotiations between Egypt and Israel.

Yesterday, the authoritative Cairo newspaper Al-Ahram reported in a front-page article that "large-scale diplomatic activity" would get under way in a few days, with the Carter administration taking more specific steps in the coming weeks. Al-Ahram attributed the new push to a recent exchange of messages between President Carter and President Anwar Sadat as well as Egypt's own "reassessment" of the Middle East situation.

In an interview published today in the Egyptian weekly magazine "October," Mr. Sadat asserted that peace could not be created in the Middle East without U.S. help and that the United States held "99.99 per cent of the cards in the Middle East game," slightly increasing the figure that he has been fond of quoting.

"Without the American role, no peace will be established in this region or the world," Mr. Sadat said, adding that he would not slacken his own efforts to bring about a durable settlement. "We should not place the entire burden on America's shoulders," the Egyptian leader said.

Egypt's ambassador to Washington, Ashraf Ghorbal, declared in an interview circulated in the Cairo press yesterday that the United States was preparing for a new push to break the deadlock. Mr. Ghorbal said that the present stage preceding "intensified diplomatic activity" featured bilateral consultations by the Carter administration with both Egypt and Israel.

It was not clear what exactly was expected from the Carter administration. Egyptian sources reported that Mr. Carter had promised Mr. Sadat to step in with a U.S. draft of a declaration of principles or a similar formula for moving the talks forward if Egypt and Israel could not agree on a document of their own.

There has also been speculation here that Alfred Atherton Jr., following his recent appointment as U.S. ambassador at large for the Middle East, might return to the region soon for another round of shuttle diplomacy between Cairo and Jerusalem. Mr. Atherton has already made two such attempts this year to close the gap between the two countries on a declaration of principles governing a peace settlement.

Mr. Ghorbal, who has been in (Continued on Page 2, Col. 7)

Still Unconfirmed

New Brigades Note Said to Set Demands

From Wire Dispatches

ROME, April 9—The Italian press reported today that the Red Brigades sent a message that allegedly set an ultimatum and possible conditions for the release of ex-Premier Aldo Moro, whom it kidnapped March 16 after killing his five guards.

But the reports as carried by the papers were conflicting and were not confirmed by authorities.

The reports said that the message was either in the form of a letter addressed by Mr. Moro to his family, a tape-recorded appeal by him, or a written statement by the Red Brigades.

The Milan newspaper Corriere della Sera quoted reliable sources as saying that the Red Brigades addressed the message to Mr. Moro's family, listing stiff demands for Mr. Moro's release.



Massimo Maraschi after 1976 trial

Brigades Member Defects
Meanwhile, a Red Brigades leader said from his prison cell that he was breaking with the leftist terrorist group in what may be a major development for investigators.

Massimo Maraschi, 26, considered one of the founders of the group, said in a written statement that he condemned the abduction. Maraschi made his statement to the governor of Cuneo jail in northern Italy six days after the kidnapping. He asked that it be released to the media but the text was not made public until yesterday.

Police would not say whether Maraschi was actively helping them or why the statement was held back until now.

Maraschi said: "I declare that I dissociate myself completely not only from this action but also from the whole political line of the Red Brigades organization."

He called the Moro kidnapping "foreign to the interests of the working class and the proletariat."

Telephone Tapped

The latest word from the Brigades reportedly was received after police tapped a telephone call in which the Marxist urban guerrilla organization announced that it was leaving a message in a square in downtown Rome.

The paper did not say to whom the call was made but it said that (Continued on Page 2, Col. 7)



Marquessa de Villaverde

Franco Kin Has Medals Seized

MADRID, April 9 (AP)—Customs officers at Madrid airport seized 31 medals of gold and precious stones from Carmen Franco, Marquessa de Villaverde, only daughter of the late Spanish ruler Francisco Franco, when she was to leave Spain Friday, the news agency EFE said today.

The new agency said the seized jewels were valued at about 2 million pesetas or \$25,000 dollars.

The marquessa was allowed to depart for Geneva, the news agency said.

Marcos Leads in Vote Tally

Police Seize Manila Protesters

By Jay Matthews

MANILA, April 9 (WP)—More than 650 persons, including four national assembly candidates, protesting martial law under Philippine President Ferdinand Marcos were arrested here yesterday. Four other opposition candidates went into hiding.

It was the first time in several months that the Marcos government had resorted to arrests for peaceful protest and indicated a return to harsh action against dissidents after a relatively free election, which Mr. Marcos led in early returns.

Yesterday's arrests occurred when police stopped a protest march that was smaller and quieter than many opposition marches allowed before Friday's election.

"They gave us a short taste of freedom, but now Marcos's people will see that martial law is grossly enforced," said former Sen. Lorenzo Tanada, manager of the anti-Marcos election slate in Manila, as he was booked at metropolitan constabulary headquarters for illegal assembly.

Police commandeered six public buses on busy Espana street, told the passengers to get off and loaded on about 650 marchers protesting the vote fraud which they say swung the election to the pro-Marcos slate in Manila. All except eight leaders of the afternoon march were taken to Fort Bonifacio, the army base where opposition leader and former Sen. Benigno Aquino is serving his sixth year in prison for martial law offenses.

Fort Bonifacio officers ordered (Continued on Page 2, Col. 6)

off the base a reporter who followed the buses. They refused to give any information about the arrests. The eight protest leaders were later located being booked at the constabulary headquarters several miles away. Each was given a physical examination to forestall, police said, charges of police brutality.

Mr. Marcos told a televised press conference yesterday that "undoubtedly the subversives have infiltrated Laban." The acronym, meaning "fight," was used by the anti-Marcos campaign slate in Manila. Mr. Marcos warned he would take preventive action to stem potentially violent protests and said police were looking for one opposition candidate, at y

(Continued on Page 2, Col. 6)

Apparent Breach of Accord With U.S.

Israel Admits Dropping 'Cluster Bombs'

From Wire Dispatches

JERUSALEM, April 9—The Israeli military command said today that its air force used U.S.-supplied "cluster bombs" in an effort to smash guerrilla artillery positions during the Israeli invasion of Lebanon.

"In a number of incidents, the shelling by artillery and Katyusha rockets against settlements in northern Israel did not stop," an army spokesman said. "The Israeli defense forces used cluster bombs against these sources of fire."

The brief communique did not say how many bombs were used or where they were dropped. But it confirmed an earlier statement by a high-ranking source.

Restrictions Violated
The U.S. State Department said yesterday that Israel's use of the cluster bombs violated special restrictions on the use of the weapon.

Department spokesman Charles Shapiro said that the use of the bombs was in breach of the assurances that Israel had given the United States, but he refused to give details about the restrictions.

No Action Planned

Last Wednesday, Secretary of State Cyrus Vance reported to Congress that Israel may have violated a law that limits the use of U.S.-supplied weapons to defensive purposes. But he added that the Carter administration does not intend to take any action against Israel because of Israeli promises to withdraw from southern Lebanon.

Mr. Shapiro said that the restrictions on cluster bombs, which spray small bomblets over a wide area, were covered in a separate unpublished agreement, which, according to a report yesterday in The New York Times, specified that the weapon was for use only in



Resident of Hasbaya, Lebanon, stands next to a U.S.-made cluster bomb unit dropped by Israel during raid last month.

full-scale war and on military targets. A Carter administration official, who asked not to be named, confirmed The New York Times report as essentially accurate and added that the special restrictions did not specify types of targets.

Mr. Shapiro said that Israel maintains that the bombs were used exclusively against military targets, although some observers have said that civilian villages were hit. An administration official said that U.S. information about the way the bombs were used was not complete but that it did not contradict what the Israelis have said.

Mr. Shapiro said that the State Department had spoken to the Israeli government about honoring the restrictions on cluster bombs in the future and that it does not believe that the law requires any further action.

On Friday, Rep. Paul McCloskey, R-Calif., protested Israel's use of the bombs and said that the weapons had inflicted widespread loss of life, although he had no specific casualty figures.

"I'm madder than hell about it," Rep. McCloskey said. "There is no terrorism on the other side that justifies use of this type of weapon."

Carter Aide Denies Report On Quitting

WASHINGTON, March 9 (UPI)—Denying newspaper reports, Agriculture Secretary Bob Bergland has no plans to resign, an aide said yesterday.

Tom Sand, Mr. Bergland's press aide, confirmed that Mr. Bergland felt he might be facing a "frustrating" situation after an incident Thursday involving a controversial farm aid bill.

Mr. Bergland was told that President Carter had given a congressional impression he would consider a farm bill compromise going beyond limits previously understood by the agriculture secretary.

"He (Bergland) felt that if the impression was correct, it was frustrating," Mr. Sand said. "But Bergland has not submitted his resignation. I do not expect him to do so," said Mr. Sand. "He will be presenting the administration's position next week and it will be a unified position."

Another administration source, who asked not to be identified, said later that the White House position as outlined to Agriculture Department aides Friday night did not actually differ from Mr. Bergland's earlier understanding of it.

Mr. Sand's statement followed a Detroit Free Press report that Mr. Bergland was considering resigning because he feared his ability to deal with Congress would be crippled.

The paper said that a "close associate" reported Mr. Bergland was upset by Mr. Carter's failure to tell the agriculture secretary exactly how much of an increase in farm price supports the President would accept this year.

The associate was quoted as saying the issue has "really wounded" Mr. Bergland politically. The paper said that Mr. Bergland would not confirm the aide's report but commented that "I don't want to go up there [to Congress] and wear two hats. The only way they will respect me is to believe me."

Ex-Prisoner Plans a Philosophy Course to Help Future POWs

By George C. Wilson

NEWPORT, R.I., April 9 (WP)—Standing before the picture hung in the place of dishonor over the toilet, the admiral stabbed the tiled bathroom wall with his forefinger to tap out the type of coded message that had sustained him during 7 1/2 years of isolation and torture in Hanoi's Hoa Lo prison.

In those days when Hoa Lo was a fearsome place rather than just a picture in the bathroom, Rear Adm. James Stockdale's determination to live and lead was fortified every time he heard a tapped message from a fellow prisoner of war. Now that he is president of the Naval War College here, Adm. Stockdale is searching for ways to teach Navy officers how to withstand the kinds of treatment he had to try to resist.

There was the time, for example, when the North Vietnamese handcuffed his hands behind his

back, locked his legs in heavy irons and dragged him from his dark prison cell to sit in the unshaded courtyard where other prisoners could see what happened to anybody who refused to cooperate. The Navy's official report of Adm. Stockdale's imprisonment, based on exhaustive questioning after his release, describes that and other incidents during Adm. Stockdale's 2,714 days of captivity from Sept. 9, 1965, to Feb. 12, 1973.

Adm. Stockdale, a captain during his captivity, remained sitting in that position for three days. The sun beat down upon him. He soon felt weak and yelled for a guard, but the guard only struck him on the face.

The guards would not let him sleep, and at one point one accused him of dozing, punching him on the jaw.

As the guard left, Adm. Stockdale remembers hearing with pride a towel snapping out in

Every Tapped Message Fortified Captive's Determination to Live

prison code the letters GBUJS — for God Bless You Jim Stockdale.

There are lessons in that and other prison experiences that Adm. Stockdale has decided to distill into an elective course for officers at the Naval War College starting next fall. Called "Foundations of Moral Obligation," the course — Adm. Stockdale will teach it himself — attempts to help U.S. fighting men cope with pressure, including that inflicted by captivity. He will try to convey to young officers what teachings got him through his years of captivity, which began Sept. 9, 1965, when he parachuted from his damaged fighter-bomber into a tree. He will try to explain how a man can summon

up astonishing courage if he has committed himself to integrity — "one of those words which many people keep in that desk drawer labeled 'too hard,'" in Adm. Stockdale's words.

There was the day his captors decided to photograph him for a propaganda film.

Escorted by Pig Eye (the POWs' name for one of their guards), Adm. Stockdale was marched down to the im-jointed wash area where he was given a razor and soap. He had already decided what to do.

Getting down into a hunched position, as if preparing to shave, he began to cut the top of his hair to make himself unrecognizable.

In his haste, he dug the razor

into his scalp several times without feeling it. Pig Eye, who had been busy getting gear together, suddenly realized that Adm. Stockdale was not working on his whiskers. He stormed through the door and saw the blood streaming from the cuts in Adm. Stockdale's scalp.

Pig Eye jerked Adm. Stockdale out of the wash area and rushed him to a room where two other guards, known as Rabbit and Chihuahua, were waiting. Adm. Stockdale could see their surprise turn into rage as they saw his bloody head and leaped to the conclusion that it was a suicide attempt.

"No. No. Get up," one of the guards ordered. "Why are you taking your own life? You've got things to do. The senior officer wants to see you tonight."

The guards left him locked up in his cell and rushed out to find a hat to cover the cuts so the film ordered by the prison director

could be made on schedule. By this time he was about nine days into a fast and was not very strong nor very clear. He thought of using the toilet bucket to cut his wrists. He went over to the corner, glanced at the badly rusted, filthy thing and rejected the idea because of the certainty of infection from the rust and filth.

Pounds Face
He glanced at the windows and thought of breaking a pane and cutting his wrists. But he knew there were North Vietnamese close by outside, so he picked up his heavy mahogany stool, and, in Adm. Stockdale's words:

"I just started pounding my face. I bruise easily, and I stood there thinking I could be heard. Pretty soon a crowd of curious civilian [prison] workers were looking in awestruck horror through the panes of glass at this

(Continued on Page 4, Col. 7)

News Analysis

Bomb Issue Clouds Carter Aura

By Hedrick Smith
WASHINGTON, April 9 (NYT)—This week's highly publicized controversy over the neutron bomb has ended with a straddling, delaying compromise by President Carter that is unlikely to put the issue to rest and may serve to deepen the public's uncertainties about him.

For some time, the President has been portrayed by some officials as wavering between his own almost Wilsonian moral opposition to new nuclear weapons and the virtually unanimous counsel of his top foreign policy advisers about the political need for proceeding with production to bring along bally allies like the West Germans and to put negotiating pressure on the Russians.

Administration officials contended Friday that Mr. Carter's even more cautious approach would still strengthen the administration's hand with the Germans and the Russians, although privately some senior officials were worried that by trying to keep all his options open Mr. Carter might be seen as vacillating and indecisive.

"He's come up with a nondecision that leaves him the worst of both worlds," said an administration insider. "He's still vulnerable to Soviet propaganda on the neutron bomb and to congressional criticism that he's soft on defense."

Indeed, only a few hours before Mr. Carter's decision was announced, Soviet President Leonid Brezhnev, in a speech at Vladivostok, attacked the neutron bomb—which is actually a missile and artillery warhead—as an offensive weapon that "increases the risk of nuclear war."

On Capitol Hill, conservative critics like Sen. Henry Jackson of Washington and Sen. Sam Nunn of Georgia, both Democrats, were apparently not appeased by Mr. Carter's decision to put off production of the neutron warhead but to modernize some of the missile and warhead components that go with it.

Sen. Jackson, the influential chairman of a Senate Armed Services subcommittee, was said by an aide to be considering plans to persuade Congress to vote funds for the neutron warhead and thereby force Mr. Carter to produce it.

Another danger for Mr. Carter is that not only the U.S. public but U.S. allies in Europe may be confused by the rapid zigzags in Washington's neutron bomb policy in the last three weeks and concerned about apparent disorganization within the administration.

In mid-March, the State Department and Pentagon were moving ahead rapidly with plans for a North Atlantic Council meeting by late last month at which a decision for U.S. production of the neutron warhead was to be announced. But Mr. Carter, more skeptical about the weapon than his advisers, canceled those plans at the last moment and insisted that the West Germans be told that he was against production unless Bonn made a firm commitment to deploy it. Yet Friday, even in the absence of that commitment, Mr. Carter backtracked and adopted a compromise position.

In part, the White House explanation is that the State Department and Pentagon were moving early last month along a track that Mr. Carter had not approved and was shocked to discover, since he had contended since last fall that he would not approve production of the warhead unless the Europeans promised to deploy it.

The other part of the official argument is that, rather than showing Mr. Carter's tendency to vacillate on tough issues, all these fits and starts had a tactical purpose. By taking a hard line, officials say, Mr. Carter sought to draw out the West Germans into fuller support of the neutron warhead in spite of the political controversies it has engendered.

This is a technique that the former Georgia governor has used on a number of domestic policy issues to squeeze the maximum out of his Cabinet advisers and staff aides.

On welfare reform, for example, Mr. Carter took a hard line for months against any increase in spending on welfare, only to agree

at the very last minute to increases of several billion dollars. Similarly, on the urban package, he made a tentative decision that rejected more than \$1 billion in key programs and forced his staff to make him restore those cuts.

During the last week, he has not only pressed the West Germans to make some concessions, but he has virtually invited pressure from Republicans and Democrats on Capitol Hill against his unilateral restraint on the neutron warhead so that any move toward its production would seem forced upon him.

In a sense, he has gained a measure of political protection against liberal critics who oppose the bomb. But a number of officials concede that by bending to these pressures Mr. Carter has once again risked looking indecisive. If so, he will have once again compounded one of his major political problems with the U.S. public—the doubts about his leadership and his basic thrust of policy—doubts that crop up in virtually every public opinion poll.

Neutron Bomb Decision Not Enough, Pravda Says

MOSCOW, April 9 (UPI)—The Communist party newspaper, Pravda, said today that President Carter's postponement of a decision on the neutron bomb satisfied neither hawks nor doves "and does not respond to the real interests of the security of the U.S. itself."

The Pravda dispatch from Washington made no mention of Mr. Carter's statement that his ultimate decision would "be influenced by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms programs and force deployments."

The news agency Tass responded to this yesterday by accusing Mr. Carter of "seeking to get from the Soviet Union concessions on other, unrelated matters" in return for abandoning the neutron bomb.

Pravda correspondent Tomas Kolesnichenko said that Mr. Carter's action "has caused dissatisfaction among fighting American hawks, all those who would like to see the new neutron bomb allocated today to U.S. armed forces and especially to the NATO troops of Western Europe."

At the same time, he said, it does not satisfy opponents of the bomb and does not respond to the real interests of the security of the U.S. itself. The reality of the present day demands curbing the arms race.

Both Tass and Pravda pointed out that Mr. Carter had ordered the Defense Department to go ahead with modernization of the Lance missile nuclear warhead and the 8-inch artillery weapon system to carry the neutron bomb if he decides to deploy it.

The neutron bomb was developed as a tactical weapon which could be used against Soviet tanks, believed to outnumber North At-

lantic Treaty Organization tank forces 3 to 1 in Europe.

The bomb kills people with intense radiation while causing relatively little property damage. Opponents of the neutron bomb have argued that its deployment would lower the threshold of nuclear war.

The Soviet Union, which does not have the bomb, has mounted an intensive propaganda campaign against it, calling it "a barbaric weapon of mass annihilation."

President Leonid Brezhnev called on Mr. Carter to agree to mutual renunciation, a move which Western diplomats called unrealistic. "Who ever heard of someone who had a weapon agreeing to give it up without anything in return," a diplomat said.

Bonn Reaction

BONN, April 9 (AP)—President Carter's decision to delay building the neutron bomb brought relations between the United States and West Germany to a new low point, the magazine Der Spiegel reported today.

In an article entitled "Front Against the Religious Daydreamer," the weekly described the neutron bomb controversy as the latest in a series of "bewildering" developments from Washington that have plagued the government of Chancellor Helmut Schmidt.

Others include sharpened controls on U.S. uranium shipments to Europe, U.S. reluctance to restore the value of the dollar and differences over reviving the world economy.

"Mr. Carter's performance strengthened Mr. Schmidt in his estimation of the U.S. president: He considers Mr. Carter to be an unfathomable amateur who tries to stamp his private morals on world politics, but in reality is incapable of fulfilling the role of leader of the West," the magazine said.

U.S. officials said that Mr. Carter's deferring of the neutron bomb project was due in part to the reluctance of West Germany and other NATO allies to accept the bomb.

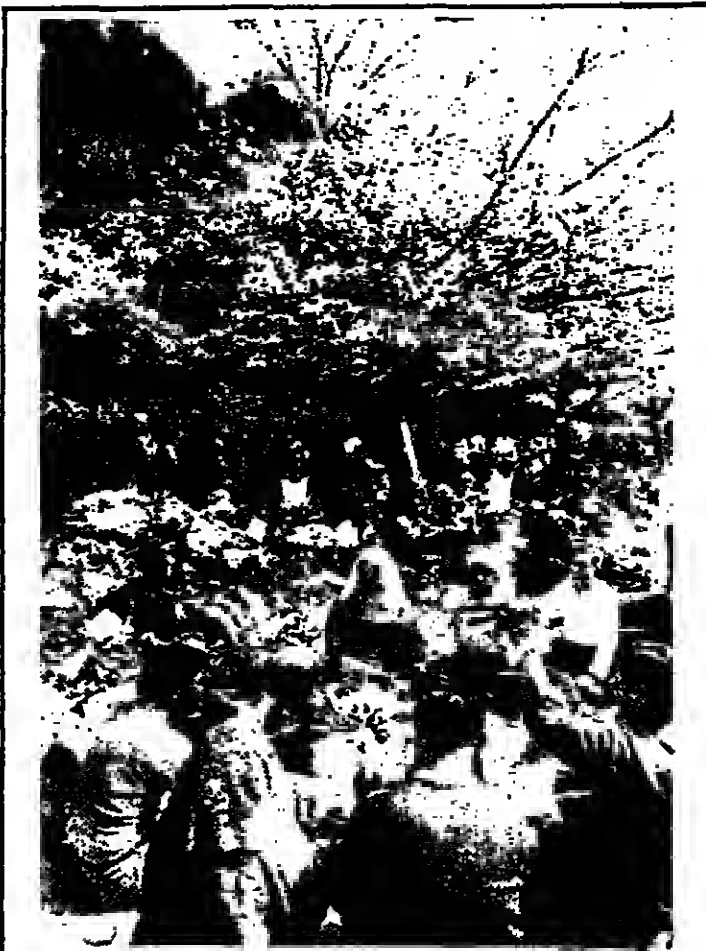
Brezhnev Returns From Siberia Tour

MOSCOW, April 9 (AP)—Soviet President Leonid Brezhnev returned to Moscow today, ending a two-week tour of Siberia during which he inspected troops and industrial enterprises near the Chinese border, the Tass news agency said.

He watched rocket test firings near Novosibirsk and addressed troops aboard a cruiser at the far eastern port of Vladivostok.

WEATHER

ALABAMA	C	F	Clouds
AMSTERDAM	14	57	Cloudy
ANKARA	11	52	Overcast
ANTWERP	14	57	Cloudy
BEIRUT	21	70	Clear
BELGRADE	11	52	Cloudy
BELMONT	11	52	Clear
BRUSSELS	11	52	Clear
BUCHAREST	14	57	Overcast
BUDAPEST	14	57	Overcast
CASABLANCA	14	57	Clear
COPENHAGEN	11	52	Cloudy
COSTA MESA	14	57	Cloudy
DUBLIN	14	57	Overcast
EDINBURGH	14	57	Rain
FLORENCE	14	57	Cloudy
FRANKFURT	14	57	Cloudy
GENEVA	14	57	Cloudy
Helsinki	14	57	Cloudy
ISTANBUL	14	57	Rain
LAS PALMAS	24	75	Clear
LONDON	14	57	Overcast
LOS ANGELES	14	57	Clear



AND A GOOD TIME WAS HAD—A Tokyo family sits near a blossoming cherry tree in the city's Ueno park during the traditional springtime flower-viewing party. More than 660,000 persons invaded the park for the traditional outing at which flowers were viewed, songs were sung, sake was quaffed, 70 children were lost and mounds of trash—as the one at left—were planted among the buds.

Carrillo Criticized

Catalan Defection Splits Spain's Communist Party

By James M. Markham

MADRID, April 9 (NYT)—A sharp rift has opened in the ranks of the Spanish Communist party with the defection of its strongest component, the Catalan Communist party.

As the Communists prepare for their ninth congress later this month, regional and provincial committees across Spain have been holding lively and sometimes acerbic debates that suggest that some members are taking Santiago Carrillo, the longtime secretary general of the national party, at his word when he says he wants to introduce democratic procedures into party deliberations.

Mr. Carrillo, 63, does not appear altogether pleased, particularly since the Catalan party, which is theoretically a separate entity, has rejected by a vote of 97 to 81 his proposal to expunge the word "Leninist" from the national party's description of itself.

As is often the case with Marxist polemics, things are not what they seem, and the issue is not really Leninism, with its connotations of a violent seizure of power by a proletarian vanguard. The so-called Leninists in the Catalan party, which holds 8 of the national party's 20 seats in parliament, tend to be young professionals and labor organizers who are strong proponents of internal party democracy.

Streak of Nationalism

What they object to is Mr. Carrillo's seemingly breezy abandonment of a cardinal Communist tenet without a real debate. Also lurking behind their resistance to Mr. Carrillo is a feeling that the Catalan party is big enough to defy him, accompanied by a latent streak of Catalan nationalism.

"The ones who defend Leninism are really liberals and the others are authoritarian," said a Communist who was once close to Mr. Carrillo but who now feels that the party chief is sliding back to high-handed methods. "Carrillo's idea is to make a purge so that the people like him who came from Paris can

dominate the party. They are going to lose 30 to 40 per cent of the party."

Whatever the outcome, the last few weeks of countrywide debate have shown that there are many kinds of Spanish Communists. Mr. Carrillo and the Madrid establishment, who preach an independent brand of "Eurocommunism" but rule with a firm hand; Catalan Leninists who are "liberals"; other Leninists, like many in southern Andalusia who are perhaps covert Stalinists; and a significant number of tested Communist labor organizers who feel that the secretary-general has been too soft on Prime Minister Adolfo Suarez's center-right government and big business in general.

Union Leaders

Amid such ferment it is hazardous to seek a common thread, but Mr. Carrillo and other once-cold leaders of about his age seem to be trying to bring to heel a generation of younger Communists who often earned their spurs "in the interior," agitating underground against the Franco regime. In Catalonia and Madrid, some of these people are leaders of the Workers' Commissions, Spain's strongest labor union, and should they leave the party its working-class base would be badly eroded.

Even before the current commotion some young militants had begun to drift away from the party, disillusioned by Mr. Carrillo's leadership and his apparent inclination to jettison any pretense of Communist militancy in his quest for a broad base for the party. In the Madrid provincial debate last month, one delegate rose and to Mr. Carrillo's face said there were not enough proletarians in the room.

In Asturias, which is Mr. Carrillo's home province, dissidents were so angered by the chairman's refusal to hear out their arguments that 110 of 500 delegates walked out. In Malaga, 200 dissidents protested over what they termed "the lack of internal democracy" in the provincial organization and hinted that they felt threatened with a purge because of contacts they had made with Asturian dissidents. But the rest of the party in Andalusia, where many young Communists take an almost Stalinist line, appear to have stayed loyal to Mr. Carrillo, although unhappy over the decision to label the party "Marxist, democratic and revolutionary" instead of "Marxist-Leninist."

Turkish Plans Ready

ANKARA, April 9 (AP)—The Turkish proposals for a Cyprus settlement will be handed over to United Nations Secretary-General Kurt Waldheim in Vienna Thursday, the Turkish state radio announced yesterday.

Exchanges Notes With Waldheim

Begin Disputes UN Truce Plan

From Wire Dispatches
JERUSALEM, April 9—Prime Minister Menachem Begin exchanged notes with United Nations Secretary-General Kurt Waldheim during the weekend, and an apparent dispute arose over how quickly Israel will relinquish southern Lebanon to UN truce forces.

The Israeli Cabinet met today to discuss southern Lebanon amid Israeli newspaper criticism of the UN handling of the Israeli-occupied zone.

Mr. Waldheim had written to demand immediate Israeli withdrawal from Lebanon, and Mr. Begin replied with a refusal to go beyond the two-phase withdrawal that is scheduled to begin on Tuesday after the arrival of the rest of the 4,000-man UN force, sources said. The newspaper Ma'ariv reported from New York that Mr. Begin castigated Mr. Waldheim, saying that of the five UN divisions due to patrol southern Lebanon, only two had arrived.

Israeli press reports also claimed that Norwegian UN troops had allowed Palestinian guerrillas to occupy a village southeast Lebanon. There was no official confirmation of the reports, which added that the Norwegians were reprimanded by UN officials and ordered to regain the village.

Clashes Cited

UN authorities reported two instances during the weekend when the peace troops stood up to the guerrillas. Swedish UN forces in southern Lebanon exchanged fire with gunmen across the Litani River, a UN spokesman in Tel Aviv said yesterday.

The gunmen, presumed to be Palestinian guerrillas, fired light arms and a bazooka on Friday night at the Swedish position nine kilometers northeast of Tyre. The Swedes returned the fire and no injuries were reported, the spokesman said.

It was believed to have been the second time that UN forces have used their weapons. French UN troops earlier were reported to have shot at an unidentified man approaching their position near Tyre.

Waldheim Criticized

Ma'ariv also attacked Mr.

EEC Balks Over Dollar

(Continued From Page 1)

ar material and technologies that could be used for military weapons. But the West Europeans, who rely on the United States for more than half their nuclear reactor fuel, fear that the new law will be used to give the Americans a stranglehold over their nuclear export policies and their plans to develop the fast-breeder reactor, which burns plutonium fuel suitable for military purposes.

They argue that the United States has no right to alter agreements retroactively. The plan now is to discuss possible improvements in existing safeguard arrangements for the next two years, while an international panel of experts completes a study on the danger of a nuclear-weapons spread. Privately, West European officials said they hope this study will provide the United States with an excuse to relax its present policy without loss of face.

Sense of Frustration

The dispute over nuclear supplies, coming on top of President Carter's change of heart on the neutron bomb and continuing transatlantic differences over the dollar, provides another example of frustration with the United States.

There were unconfirmed reports yesterday that Mr. Schmidt was so annoyed by the U.S. approach to nuclear problems that he was considering reducing West Germany's reliance on American enriched uranium by ordering more from the Soviet Union when he meets with Leonid Brezhnev next month.

According to these reports, the idea of Western Europe's buying more nuclear fuel from the Russians was discussed by Mr. Schmidt with President Valéry Giscard d'Estaing of France last week.

For three years now, the United States and its Western allies have sought to achieve an average growth rate of 5 per cent by urging West Germany and Japan to take the lead in expanding their economies. However, these nations have failed to achieve the planned rate while the United States has been plunged into a payments problem by its own economic expansion.

To spur growth, the Western governments will now consider tax reductions and incentives for job-creating industrial investments.

Waldheim's demand for withdrawal, implying that his only aim was to accelerate the return of the terrorists to southern Lebanon.

In Beirut, Lebanese Premier Selim al-Hoss yesterday joined Mr. Waldheim and the Palestine Liberation Organization in criticizing an inadequate Israeli plan for partial withdrawal.

Meanwhile, the UN and the International Red Cross contacted the PLO to request the return of four Israeli bodies and one wounded prisoner held by the guerrillas.

Egypt Anticipates Effort By U.S. on Mideast Talks

(Continued From Page 1)

Cairo for consultations, discussed the U.S. role in some detail as he prepared to return to Washington. He offered an optimistic assessment of U.S. policy that underscored a confidence expressed privately by some other Egyptian officials.

In a reflection of official thinking in Cairo, Mr. Ghorbal listed a number of trends in the Carter administration's policy that he considered positive:

• The administration's open disapproval of Israel's position in negotiating with Egypt, including the refusal of Prime Minister Menachem Begin to consider returning all occupied Arab territory or to recognize the Palestinian problem.

• Mr. Carter's insistence upon combining into one arms package the proposed sale of various jet fighters to Israel, Egypt and Saudi Arabia. Mr. Ghorbal asserted that this overall approach to security needs to the Middle East was "the beginning of a trend, rather than a one-shot affair."

• The U.S. role in pushing through the United Nations resolution last month calling for the immediate Israeli withdrawal from southern Lebanon. Mr. Ghorbal noted that this was done on the eve of Mr. Begin's trip to Washington and without consulting him beforehand.

• The recent statement by Secretary of State Cyrus Vance critical of Israel's use of U.S.-supplied weapons in southern Lebanon. Their employment against the Palestinians has been viewed by the Carter administration as a possible violation of the accord between the United States and Israel governing the weapons transfers.

Specific Steps

In predicting a new U.S. push to help Mr. Sadat's peace initiative, Al Ahrar announced yesterday that "the United States is currently preparing the ground for specific steps during the coming weeks with the aim of pushing forward the peace-making process, despite Israel's clear opposition to the fundamental principles upon which peace should be based."

Late last month, Israeli Defense Minister Ezer Weizman came to Cairo for two short talks with Mr. Sadat, but Egyptian officials said afterward that he had brought nothing new from Mr. Begin. Mr. Sadat later said that Mr. Weizman would be returning next week, but he subsequently added the qualification that the Israeli defense min-

ister would be welcome "whenever there are new ideas to start with."

It is still uncertain when such a visit will take place. The Egyptian leader has made clear that he does not want to resume formal talks with the Israelis until they show themselves less intransigent on both the future of the Palestinians and Israel's withdrawal from occupied Arab territory.

Sadat Sees Ceasefire

CAIRO, April 9 (AP)—President Sadat and Romanian President Nicolae Ceausescu have undertaken urgent consultations on the eve of Mr. Ceausescu's talks with President Carter. Al Ahrar reported today.

The paper said that Mr. Ceausescu is scheduled to visit the United States Wednesday, has also briefed Mr. Sadat on the outcome of his recent talks in Bucharest with Israeli Foreign Minister Moshe Dayan.

Mr. Dayan said after his return to Israel last week that his talks with Mr. Ceausescu achieved no practical results.

Somalia Foils Coup

(Continued From Page 1)

outsiders of town and everything was back to normal at 11 a.m.

Mr. Barre reportedly had been awaiting a coup attempt for a month since he conceded defeat to Ethiopia in March when he pulled his regular army units out of the Ogaden. By then the army had lost the bulk of its tanks and warplanes to the Ethiopians and as many as 8,000 had been killed and wounded during the eight months of fighting.

Mr. Barre then faced opposition from within the army and the party on two grounds — that he had made the wrong decision in starting the war and that he had then lost it.

650 Seized in Manila

(Continued From Page 1)

Charito Planas, on suspicion of harboring Communist guerrillas.

Opposition sources said yesterday that Mr. Planas and three other candidates tied to the student-worker-slum dweller movement, Trining Herrera, Jerry Barican and Alexander Boncayao, had gone into hiding to avoid possible arrest.

A return to the pattern of harsh repression and underground rebellion of the early days of martial law could severely jeopardize Mr. Marcos's chances of winning U.S. approval for a new and more lucrative military bases agreement.

Some Marcos supporters have complained that U.S. pressure on the human rights issue forced Mr. Marcos to call Friday's election for an interim national assembly, the country's first election in more than six years, sooner than he wanted to. Both Mr. Marcos and his wife, Imelda, the leader of the pro-Marcos slate in Manila, made heated charges of U.S. interference in the last days of the campaign. Mr. Marcos said he "could no longer stomach" what he said were U.S. attempts to persuade him to flee Mr. Aquino.

Counting of the estimated 23 million votes cast nationwide Friday proceeded slowly. The Commission on Elections released official totals for about 5 per cent of all precincts in Manila which showed the pro-Marcos slate sweeping all 21 Assembly seats for the city and holding a 2-1 edge over the opposition, led by Mr. Aquino.

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'DeConcini Reservation'

Panama Sends 2 to U.S. To Fight Canal Proviso

By Marlene Simons

PANAMA CITY, April 9 (WP)—Faced with increasing opposition here to the Panama Canal treaties, Gen. Omar Torrijos has sent two envoys to Washington in an effort to find a formula for preventing Panamanian rejection of the treaties.

They will tell U.S. officials that Panama may have to renounce the treaties unless the United States is willing to soften a Senate reservation that asserts Washington's right to send troops into Panama after the year 2000 to keep the canal open. The reservation is in an amendment to the canal treaties passed March 16. It was proposed by Sen. Dennis DeConcini, D-Ariz.

"We're going to Washington to rescue the treaty," a Panamanian official said yesterday. "The situation is terrible here. It's clear now that as it is, we can't get the treaty approved here short of using force."

The DeConcini amendment has caused outrage in Panama across the political spectrum. It is widely felt that acceptance of the reservation threatens the survival of the Torrijos government.

Right of Force

The reservation asserts the indefinite U.S. right to send troops into Panama if canal operations are compromised after the canal is relinquished to Panama on Dec. 31, 1999.

"The most important thing is to save the situation; we can't have a handful of fools destroy everything that has been achieved," the Panamanian spokesman said, referring to the backers of the DeConcini reservation.

Diplomatic sources here believe that Panama may propose options to disarm the DeConcini clause, perhaps adding its own reservation, or asking for a statement from the U.S. Senate saying that it has no intention of intervening in Panama's internal affairs.

U.S. officials also are conceding that treaty ratification is seriously threatened in both countries.

'Implicitly Accepted'

"Panama had implicitly accepted the intervention clause all along," said a U.S. official, "but the language in the intervention clause is

like a large neon sign saying 'the lady is a whore.' There is no doubt now that sign must come down or be covered up for Panama to accept."

Since the Senate vote, anti-U.S. feelings have increased in Panama. On Thursday, the Liberal party—a conservative party that had supported the treaties—rejected them. In a meeting with the Panamanian chief negotiator, Romulo Escobar, organized by a businessmen's association, political groups of the left, right and center demanded that the government dump the treaties and reopen negotiations.

A businessman who attended said, "It's the first time everyone has united against the treaties, professionals, businessmen, lawyers, everyone. The government is practically left alone."

Although the military government abolished parties after taking power in a coup in 1968, they survive as lobbying and interest groups and the government often has to take them into account.

"It's no longer a question of whether we like Torrijos or whether we have an economic crisis," said a company director. "The Americans have gone too far. We may be businessmen, but we're Panamanians, too."

Byrd Cool to Panama Bid

WASHINGTON, April 9 (NYT)—Senate Majority Leader Robert Byrd warned yesterday against overreacting to Panama's recent diplomatic maneuvering in response to the Senate changes in the first treaty and predicted that Panama's reaction would not affect prospects for approval of the second treaty.

However, President Carter expressed greater apprehension about Panama's recent letters to other governments, voicing "deep concern" about the DeConcini reservation. Mr. Carter said that Senate approval of the treaty "hangs by a thread."

"Any statement, even if it is well based, by the Panamanians, that would cause consternation or doubt in the minds of U.S. senators could very well endanger the passage of the second treaty," Mr. Carter said.

U.S., U.K. Begin Drive For New Rhodesian Talks

SALISBURY, Rhodesia, April 9 (UPI)—A U.S.-British diplomatic team arrived here yesterday on a mission to get Rhodesia's pre-majority rule interim government to attend peace talks with black guerrillas who are still fighting.

Britain and the United States have called the interim agreement with three black leaders "illegal" and said that no settlement excluding the Patriotic Front can end a guerrilla war that has claimed more than 10,000 lives in five years.

In Maputo, Mozambique, the Patriotic Front said its leaders, Joshua Nkomo and Robert Mugabe, would meet with Secretary of State Cyrus Vance and British Foreign Secretary David Owen in Dar es Salaam April 15 to discuss an all-party conference.

The statement said delegations from the "front-line" black states of Mozambique, Tanzania, Zambia, Botswana and Angola also will gather in the Tanzanian capital for the talks.

Rhodesian officials said the extent of progress made by John Graham, deputy under secretary at the British Foreign Office, and Stephen Low, U.S. ambassador to Rhodesia.

4 Killed in Riot At Funeral of Namibia Chief

WINDHOEK, South West Africa, April 9—Guests attending the funeral procession of assassinated Herero Chief Clemens Kapuuo Saturday opened fire on rival Ovambo tribesmen, killing four and wounding five, police said.

More than 10,000 persons crowded into the ancient Herero capital of Okavanga for the burial of the murdered chief.

Brig. J.M. van Niekirk, divisional police chief for South West Africa (Namibia) said, riot police did not shoot at the brawling crowds in the black Katutura township just outside Windhoek yesterday, but dispersed them within minutes with tear gas.

Sections of jeering onlookers, armed with sticks and stones, began attacking several cars as the funeral procession left the chief's Katutura store where he was shot by two gunmen on Easter Monday.

11 Persons Killed In 2 New York Fires

MONTICELLO, N.Y., April 9 (AP)—Eleven persons were killed today in two separate fires in New York state.

A fire at a three-story apartment building in this community killed at least seven persons, police said. The fire left about 25 persons homeless. Four firemen died fighting a fire in a house on the Syracuse University campus in Syracuse, authorities reported. There was no indication of the cause of either blaze.



University students parade effigy of President Carter through streets of Panama City in protest against the canal treaties.

Conspiracy, Perjury Conviction

Hancho Kim Is 2d Victim In U.S. Influence Scandal

By Robert L. Jackson

WASHINGTON, April 9—Korean-born businessman Hancho Kim yesterday was convicted of conspiracy and perjury for plotting to spend \$600,000 to influence congressmen and lying to a U.S. grand jury about it.

Kim, 56, a naturalized U.S. citizen, became the second figure to be convicted in the Justice Department's investigation of South Korean influence-buying. Former Rep. Richard Hanna, D-Calif., pleaded guilty to a single conspiracy charge last month.

Kim accepted the verdict impassively from a jury that deliberated nearly seven hours over a two-day period. His trial had lasted three weeks.

U.S. District Judge Thomas Flannery ordered Kim to surrender his U.S. passport immediately and to appear for sentencing May 19. He could receive a maximum punishment of five years in prison and a \$100,000 fine on each of two counts.

Kim, a cosmetics executive, was allowed to remain free on his own recognizance. His attorney, David Povich, said that the verdict, the strongest judgment to date that the South Korean government had planned to buy support from members of Congress, would be appealed.

Letters introduced at the trial stated that the plot in which Kim took part had the personal support of Korean President Park Chung Hee, who bore the code-name "The Patriarch" and "The Chief Priest of the Bulguk-sa Buddhist Temple."

Kim was one of four South Korean agents alleged to have sought to influence members of Congress through political payments, gifts or entertainment.

But prosecutors could never prove that Kim actually made any payments. Other than giving dinners for some congressmen, Kim kept most of the cash he received from Seoul to promote his own high style of living, witnesses told the jury.

Other Koreans who have figured prominently in the scandal have been businessmen-lobbyists Tong-sun Park, former Korean Ambassador Dong Jo Kim, and Suzi Park Thomson, an aide to former House Speaker Carl Albert.

Mr. Park, indicted on 36 felony counts last August, has been given immunity from prosecution in return for testimony against others. The former ambassador, Mr. Kim, has been shielded by diplomatic immunity in his refusal to cooperate with U.S. authorities. Miss Thomson, who gave many parties for congressmen, has not been accused of any criminal offense.

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Sen. Humphrey To Vacate Seat At End of Year

ST. PAUL, Minnesota, April 9 (WP)—Sen. Muriel Humphrey, D-Minn., said last night at a Democratic party dinner honoring her late husband, Hubert Humphrey, that she would leave the Senate at the end of this year rather than run for the remaining four years of his term.

Sen. Humphrey, 66, who was appointed to the seat in January, said that she wanted to "return to Minnesota and resume private life with my family and friends."

Her announcement apparently opened the way for Rep. Donald Fraser to win the party endorsement for the Humphrey seat.

Mr. Fraser's campaign staff said that he is already at the 50-per-cent mark for endorsement at the June convention of the Democratic Farmer Labor party, as the Democrats are officially known in Minnesota. Sixty per cent is required for endorsement.

Oregon Boy Seized, Released for Ransom

PORTLAND, Ore., April 9 (AP)—The 13-year-old son of a prominent Portland real estate developer was released unharmed by kidnappers after his mother paid a ransom, authorities said yesterday.

The boy, Scott Randall, was abducted Friday morning. A ransom demand was made by telephone to his mother soon afterward and there was "an implied threat" to the boy's safety, the police said. The amount of the ransom was not disclosed.

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Townley Arrested by FBI on Arrival

Chile Deports U.S. Suspect in Murder of Letelier

SANTIAGO, April 9 (NYT)—Chile's military government yesterday deported to the United States Michael Vernon Townley, a suspect in the assassination of Orlando Letelier, a Chilean exile leader.

[Mr. Townley was taken into custody by U.S. authorities today after a flight from Chile, Associated Press reported from Washington.]

[An FBI spokesman said that Mr. Townley, 35, was being held as a material witness, in a federal investigation.]

Mr. Letelier and an American woman, Ronnie Moffitt, were killed when a bomb exploded in his car while they were driving in Washington on Sept. 21, 1976.

President Augusto Pinochet's decision to expel Mr. Townley, an American who has lived in Chile for 21 years, was made under strong pressure from the U.S. government for cooperation in investigating the case.

While Mr. Townley's lawyer tried vainly to obtain an injunction from the Supreme Court against the deportation, the electronics technician was taken under armed guard to the international airport and placed on an Ecuadorian airline flight to Miami. He was accompanied by an agent of the FBI.

was killed was Col. Manuel Contreras Sepulveda. Promoted to general last October, Gen. Contreras was one of Gen. Pinochet's closest advisers until the army announced on March 22 that he had "resigned voluntarily."

55 Questions

At that time, Mr. Propper had submitted 55 questions to the Chilean Supreme Court to be put to Mr. Townley and to Capt. Armando Fernandez Larios, who also was attached to DINA, on the basis of evidence that they had both entered the United States on false passports three weeks before Mr. Letelier was killed.

Capt. Fernandez answered all the questions put to him, but Mr. Townley invoked the U.S. Constitution's Fifth Amendment against self-incrimination in refusing to answer questions on his actions while in the United States.

It is expected that Mr. Townley will be placed before the grand jury investigating the Letelier case in Washington and will be asked to testify under oath.



Michael Townley and his wife just before his ouster from Chile.

Mother Bares Her Anger at Topless Bar

MEMPHIS, Tenn., April 9 (UPI)—A mother of four who was turned away from a topless bar because she had no escort says she wants to be allowed into the same places her husband can enter.

Donna Lee Mason said yesterday she may organize a protest by housewives to help her win.

The controversy arose, Mrs. Mason said, when she and her sister-in-law were washing clothes at a laundromat. Faced with a long wait, she said they decided they would pass the time with a drink at a nearby lounge.

The women were stopped at the door of the Playhouse Club by manager Stephanie Griffin, who said that unescorted women were not allowed. Mrs. Mason said the manager told them the rule was made to keep prostitutes out of the topless bar.

"I think most people can tell a housewife from a hooker," Mrs. Mason said. "In my case it wouldn't be hard, since I weigh 255 pounds."

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Election Victory Strengthens Giscard's Hand at Home, Abroad

By Joseph Fitchett

PARIS, April 9 (IHT)—President Valéry Giscard d'Estaing's popularity has hit a new high in French public opinion polls. In a survey this weekend nearly 70 per cent of persons questioned said they were satisfied with his performance. On the presidential trail, even uncharismatic Prime Minister Raymond Barre, for the first time, received less criticism than praise.

The poll, the first since the ban during last month's National Assembly election, confirmed impressions that the big winner was Mr. Giscard d'Estaing, who was not running for office. Amid the rancor and recriminations between the defeated Socialists and Communists, this boost to the President's authority just beyond the halfway mark in his seven-year term provides him major new political opportunities and will enable him to play a much more active role both in French politics and on the European stage.

French commentators already predict that he will be re-elected in 1981. In effect, they say, he is embarking on a decade of power in France. Certainly he has a renewed popular mandate by proxy. The question is, how will he exploit his opportunity and how will he seek to reorient France?

Tide Stemmed

In analyses of his enhanced standing, Mr. Giscard d'Estaing is portrayed as the leader who stemmed the apparently indeluctably rising leftist tide in France. In 1974 he took over a country dominated by two trends: a deepening economic recession and a rising, united left gaining confidence as it seemed electoral victory.

As President, Mr. Giscard d'Estaing has been instrumental in engineering the turnaround of this situation, including a notable economic recovery and renewed growth momentum and the maintenance of political stability and discipline of the formidable Socialist-Communist alliance.

In the elections, instead of voting as widely expected for a leftist parliamentary majority and a popular front-style government including Communist cabinet ministers, French voters split roughly between left and right center-right coalition and an unexpectedly large 91-seat majority in the 491-seat assembly.

Mr. Giscard d'Estaing undoubtedly would have failed except for the interminable quarrel, at a fatal moment, that estranged the Socialists and Communists and discredited their common program for sweeping change.

The Giscardian counterclaim is that the leftist coalition was doomed because it was an electoral expediency rather than a meeting of minds, because French society in the 1970s rejects collectivist reorganization, because a majority of French people—often silenced by archaic party structure—want reforms, not radical change. Declaring for the presidency in 1974, Mr. Giscard d'Estaing told Frenchmen after a generation of Gaullism that "France aspires to be led from the center."

This Giscardian design—a po-

litical system oriented more towards pragmatic reforms and less towards doctrinaire extremes, a France which more closely resembles its European neighbors—now appears to be more realistic in the light of the electoral results.

In practical terms, this idea has to be turned into a consensus in Parliament and a Giscardian legislative record that will give the President a permanent political power base in the nation, help alter the present party alignments and open the door to structural reforms adapted to modern France.

Plausible tactics for Mr. Giscard d'Estaing are dictated by a detailed breakdown of the electoral results. With the majority, the President escaped the constitutional nightmare of having to work with an opposed cabinet and legislature. Yet the opposition made new gains, adding more seats. So the pressure for change is undeniable.

At the same time, the President's hand was strengthened when the Union for French Democracy, the party identified with Giscardian policies, picked up seats at the expense of its own coalition partners the Gaullist party led by Jacques Chirac, a personal rival of the President.

This pattern—pressure for change, eroded strength of the rightmost Gaullists, Socialist rancor against their erstwhile allies, the Communists—has created an obvious opportunity for Mr. Giscard d'Estaing to try adding to his strength by attracting dissident Gaullists to his party and mobilizing Socialist support for liberal reform measures.

Political Tactic

This political tactic—weakening the extreme right and stealing some leftist thunder—fits the Giscardian vision nurtured long before he entered high office and elaborated in his book, "French Democracy." It argues that the French, whose well-being and educational levels have been sharply improved by rapid economic and demographic changes since World War II, now want to escape from confrontation politics and ideological political parties of the past. In the Giscardian analysis, the French are tired of the polarized democracy of the Gaullist system of the Fifth Republic that institutionalized a few strong parties and locked them in relentless competition and paralyzing mutual suspicion.

In its place, Mr. Giscard d'Estaing has argued for a more pluralistic system involving more centers of power, the abandonment of extremes by all groups and more tolerant give-and-take in political life. He has urged several new departures: a new civil tone in French political debate to produce a more constructive dialogue between the majority and the opposition; a liberal legislative program of economic and social reform that could be

Mrs. Thatcher Calls for Limits On Immigration

LEICESTER, England, April 9 (AP)—Conservative party leader Margaret Thatcher yesterday told Britain's Labor government that there should be no more "humbag" over the country's immigration issue and urged an end to the large-scale inflow of new workers.

"Let ministers accept that good race relations in Britain depend on ending immigration as we have known it in the last two decades," she told 2,000 supporters at the party's Central Council conference meeting here, 100 miles northeast of London.

Mrs. Thatcher said that Prime Minister James Callaghan's government policy on immigration disregarded the wishes of many Britons. "So let's have no more humbug," Mrs. Thatcher said. "Let ministers listen to the people for a change, instead of preaching at them... Politics cannot turn a blind eye to what is going on or arrogantly refuse to heed people's worries and anxieties."

15 Die in Raid On Thai Village

BANGKOK, April 9 (AP)—Cambodian soldiers supported by Thai Communist rebels attacked a Thai border village today, killing 15 persons, wounding 10 and burning houses and stores, border police here said.

According to the police, about 300 Cambodians and Thai Communists attacked Krut with rifles and grenades, burning a number of homes. The attack was one of the most serious in recent months.

The border conflict between Cambodia and Thailand, which began shortly after Communist forces took Phnom Penh three years ago, stems from a number of causes, including a poorly demarcated border and disputes in the illegal trade across the border.

supported in an issue-by-issue basis by both left and right groups for the common good rather than narrow party gain; and ultimately the possibility of an undramatic alternance of government in France between two moderate coalitions, one center-right, one center-left.

Ordinary enough in nations like Britain or Germany, this notion of internal detente is a sharp contrast with the hostility between the two rival blocs in France, based largely on the antagonism between the Communists and equally extreme rightists on the opposite side.

The Giscardian philosophy of overcoming this intransigence has very practical implications in French life. Mr. Giscard d'Estaing's personal liberalism has set a powerful example in opening state-controlled media to opposition viewpoints, tolerating civil servants of opposing political views and getting Socialists to vote for mutually acceptable reforms instead of boycotting them out of political dogmatism.

In the Giscardian analysis, which is shared by many younger, sociologically oriented French politicians, the traditional confrontation politics are less and less sought by the French people. The rank-and-file consistently show a desire for change, but the obstacles to pragmatic change are maintained by the entrenched party system, the Giscardians claim.

Mutual Distrust

As a result, the mutual distrust between doctrinaire leftists and autocratic Gaullists paralyzes the

chances for pragmatic cooperation. Communist-controlled trade unions, for instance, have often refused to support reforms because they might "prolong the life of capitalism" while Gaullists resist its "strengthening the forces bent on our destruction."

In trying to lead this "hocked society" out of an impasse, Mr. Giscard d'Estaing—who was at home in none of the traditional parties—has sought to loosen the party grip, making the politicians more susceptible to presidential manipulation. Undoubtedly, he is motivated by his own personal need to build his own political coalition. But he is also a man of reformist temperament, a technocrat bent on modernizing French institutions.

Now he appears to have gained a stronger political machinery to put his ideas into effect. The decisive arena is Parliament, where Giscardian legislation could significantly alter French life and politics. At the outset, the parliamentary arithmetic leaves little room for maneuver. While preserving the rightmost majority with Mr. Chirac's Gaullists on major issues, the Giscardians nonetheless will look across coalition lines at times to induce some Communists to ignore their Communist allies and vote for some French reforms and support widening French involvement in Europe.

In this process, Mr. Giscard d'Estaing could eventually expect to detach Gaullists and attract them to his own party, neutralizing the right. A corresponding power shift

toward the center would be expected in the leftist coalition, undermining the Communists to the advantage of the Socialists and small reformist parties.

There is strong resistance to his convergence, particularly because both equally-balanced camps have an interest in maintaining their line-ups to compete for the presidency in 1981. But some Gaullists have already defected once to vote for Jacques Chaban-Delmas for parliamentary speaker—the Giscardian choice. On the Socialist side, the postelectoral consultations with the President could gain significance if tactical cooperation proves to have grass-roots appeal.

What issues are crucial for the Giscardian design? Economic problems continue to occupy the foreground, and the reappointed Barre government undoubtedly will continue its balancing act, trying to hold down inflation while simultaneously seeking to stimulate the economy and absorb unemployment. In this dilemma, the French showing compares favorably with other European governments' management but Giscardian strategists avoid holding out hopes of an early solution.

Foreign Policy

Foreign policy will probably assume even greater importance if domestic problems appear intractable, and Mr. Giscard d'Estaing can expect Gaullist support in reasserting French interests abroad, both in Africa (as he did painlessly in Zaïre and so far in Morocco) and elsewhere as he has done in

despatching French troops in Lebanon. The first time French forces have taken a role in a United Nations peace-keeping force, it undoubtedly signifies French intentions of seeking a role in any of the great powers in a Middle East settlement.

On the other hand, the Socialists will have to be looked to for support on expansion expanded French involvement in the European community—anathema to nationalistic Gaullists.

As European leaders gather in Copenhagen this weekend, they envisaged closer economic alignment and set the date for direct elections to the European Parliament (eventually to be followed by elections for a president of Europe), and Mr. Giscard d'Estaing stood out in their ranks because his elections are safely behind him whereas other main European statesmen face electoral hurdles at home in the months ahead.

Domestically, to forge the essential parliamentary consensus, Mr. Giscard d'Estaing has called for a "reasonable cohabitation" of majority and opposition and he is expected, as a first step, to initiate more generous arrangements for the opposition, giving them new status—for instance, sharing more government information on key issues.

Reforms

Beyond that gesture, the Giscardians must count on some long-discussed reforms. The need to reduce some glaring social injustices and get a more egalitarian society is widely recognized in France, and Giscardian proposals to raise the minimum wage or protect other least-favored social groups might get leftist support.

Tax evasion and a capital gains tax are major issues which Mr. Giscard d'Estaing has ducked until now to avoid offending the Gaullists. Other Giscardian promises that could come off the shelf include worker co-management, real estate control, devolutionary steps to modernize the French administrative tradition of centralization.

On all these issues, the Giscard-



President Valéry Giscard d'Estaing

...popularity hits a record high

have to weigh carefully the chances of drawing enough votes—Socialists or Gaullist defectors—to risk confrontation with the Gaullists and jeopardize the present Giscardian-Gaullist majority.

If his enhanced prestige can be translated into an effective legislative program, Mr. Giscard d'Estaing would appear certain to be re-elected in 1981. Then it would be time, his strategists hint, to complete his political design by shifting French voting back to proportional

representation, a mechanism to help the emergence of more small parties. Under the Fourth Republic, this "regime of parties" was blamed for the vacillating government reviled by Gaullists. In the Giscardian view, the smaller parties—less doctrinaire, more issue-oriented, more responsive to presidential initiative—are the structural reform to mirror contemporary concerns, institutionalizing Mr. Giscard d'Estaing's vision of French democracy today.

In Border Confrontation

Arms Buildup Reported in Indochina

By George McArthur

BANGKOK, April 9—The border confrontation between Vietnam and Cambodia has been more dangerous in recent weeks by secret military moves by both nations, according to well-informed diplomatic sources.

Both sides have built up their armaments, but the Vietnamese reportedly have not significantly reinforced their border forces, despite reports to the contrary.

The Vietnamese have transferred an unknown number of Soviet-built planes to bases in South Vietnam which are within striking range of Cambodia, the sources say. And the Cambodians have been receiving more arms from China, including some radar-controlled anti-aircraft weapons.

negotiating table and to prove that Cambodia is the actual aggressor in the continuing flare-ups.

Military sources report that the actual defense of Vietnamese frontier towns and villages remains in the hands of militia forces. They add, however, that the regular force units are flexibly deployed and could move quickly once an order is given.

© Los Angeles Times

Battle Victories Claimed

BANGKOK, April 9 (UPI)—Vietnam said yesterday that hundreds of Cambodian soldiers were killed in a series of frontier clashes

that spilled across the border into Vietnamese territory.

Radio Hanoi said that Cambodian troops have "repeatedly" shelled and attacked Vietnam during the last two weeks. The broadcast also said that frontier forces "wiped out" other Cambodian Khmer Rouge troops in an attack against Vietnam's Central Highlands last Tuesday.

In Hanoi, the Communist Party Daily newspaper Nhan Dan (People) said that the Cambodian leadership is betraying its people and that Vietnam "will work unrelentingly for prompt, negotiated solutions to problems in relations between the two countries."

Ex-Prisoner Sets Course To Help Future POWs

(Continued From Page 1)

madman standing in the middle of the room pounding his face with the stool.

"I kept working because I knew I would get some swelling. I could feel my eyes coming up. There was a commotion at the door, and here were Chihuhua and Rabbit frantically trying to get back in."

"They finally burst in to find both my eyes almost closed up, my eyebrows and eyelids out and bleeding and my appearance pretty well unfit for photography."

Although Adm. Stockdale frustrated the filming scheme, the North Vietnamese through rope torture and other coercion did force Adm. Stockdale to write and record statements against his will. Like so many prisoners before him, Adm. Stockdale said he learned that every man—no matter how tough—has a limit of how much pain he can take. But he resisted each time before submitting.

Adm. Stockdale, who looks amazingly fit at 54 considering what he went through—except for the stiff left leg which was torn at the knee so severely by his captors that it cannot be restored through surgery—said his War College course will focus on a man's personal code.

Questions to be addressed in the classroom, he said, will include: "What do you think of a [dive-bomber] pilot who pulls off the target high so that anti-aircraft fire does not hit him?" "What do you think of a guy who

doesn't aim his bombs? Is that the way to lead?"

Adm. Stockdale's class will study philosophy and history to get into the teachings that stayed with him after the pressure of prison camp life had blown everything else away. The philosophy course that he took at Stanford in his 30s, said Adm. Stockdale, did him a lot more good in Hanoi than any of the Naval Academy's technical subjects.

But instead of digging out such teachings so they can form bedrock in the minds and personalities of today's military officers, complained Adm. Stockdale, the wisdom that has stood the test of time is being eclipsed by the jargon of systems analysis, managerial techniques and modern weaponry.

"We spend most of our time worrying about things that have nothing to do with our profession of arms," Adm. Stockdale's students will be directed to read Epictetus, the Book of Job, Aristotle, Plato, Kant, Mill, Sartre, Emerson, Dostoyevsky, Conrad, Kafka, Koestler and Solzhenitsyn.

"I think this is the only way to teach a sophisticated audience 'duty, honor, country.' I'm not trying to make fundamentalists out of them. I'm not trying to make warmongers out of them."

"I'm trying to make more self-confident leaders who will realize half of what comes into their baskets is crap and that they should worry about things that are important."

Chicago Surveillance Reported Extensive

CHICAGO, April 9 (UPI)—Federal agents have collected more than 7 million pages of information on suspected subversive and extremist groups in the Chicago area, documents released by the FBI revealed yesterday.

According to the documents, groups on the FBI's subversive list include the American Civil Liberties Union, the Alliance to End Repression, the Chicago Committee to Defend the Bill of Rights and the National Association of Social Workers. Listed among extremist groups were the Afro-American Patrolmen's League and the National Association for the Advancement of Colored People.

THE GREAT PERSONALITIES BY MARY BLUME.

International Herald Tribune
We've got news for you.



HAVING A WHALE OF A TIME—Wolfgang Gewalt, director of the Duisburg Zoo in West Germany, has no fear of teeth, even when there are 30 of them in the mouth of a white whale such as the zoo's Ferdinand. Apparently Mr. Gewalt is not afraid of whale's breath either.

Seeks Change in Testimony

Bell Is Said to Oppose FBI Indictment

By Charles R. Babcock

WASHINGTON, April 9 (WP)—Attorney General Griffin Bell last year rejected a recommendation that a high-ranking FBI official be indicted for perjury and instead personally asked the veteran agent to correct his sworn testimony, sources said.

The appeal to Wallace LaPrade, head of the FBI's New York field office, illustrates the problems that Mr. Bell has faced in his dual role of overseeing the FBI and the investigation of alleged illegal break-ins by FBI agents during the early 1970s.

He is expected to announce his decisions on further prosecutions in these so-called "black bag" cases early this week.

The attorney general told Mr. LaPrade, according to sources familiar with the meeting, that he did not want to indict an FBI agent—especially not for perjury—because it would reflect badly on all FBI agents who are called as court witnesses.

Sincere Effort

Mr. Bell is known to view his brief encounter with Mr. LaPrade as a sincere effort to find the truth about who authorized the break-ins and surveillance of radical fugitives.

But some Justice Department attorneys believe that his conduct might be viewed as an example of a double standard of justice; of special treatment for an FBI agent that would not be afforded an average citizen.

Prosecutors sometimes permit witnesses to change their grand

jury testimony. But it is considered unusual for the Justice Department to initiate such proceedings after a recommendation to prosecute has been made. It is even more unusual for the attorney general to make such an appeal.

Perjury Charge Urged

Mr. LaPrade's potentially perjurious testimony occurred in a U.S. grand jury in New York in January of last year. A civil rights division task force then heading the investigation recommended to Mr. Bell a few months later that Mr. LaPrade be charged with perjury as part of a first wave of indictments in the investigation.

But Mr. Bell chose at the time to indict only John Kearney, a field supervisor who worked for Mr. LaPrade, in connection with alleged mail-openings and wiretaps. Mr. LaPrade was named as an unindicted co-conspirator.

That April indictment triggered a protest by FBI agents and their supporters and it is generally considered that Mr. Bell then began to question the course of the investigation.

At about the same time, Mr. Bell met privately with another potential defendant, assistant FBI director Andrew Decker. They discussed the case in the absence of both Mr. Bell's prosecutors and Mr. Decker's lawyer, a breach of legal decorum that the attorney general now acknowledges was incorrect.

Criticism Accepted

Mr. Bell said in a recent interview that criticism of the Decker meeting was justifiable. "I remember I was sort of startled myself when I ended up talking [with him]," he said.

The attorney general rejected the

suggestion that he had to be especially careful of appearances in such a sensitive internal investigation.

"It's only the weak people who lean over backwards against their own people," he said. "I'm not lacking in confidence as that."

Mr. Bell made increasingly critical comments about the civil rights team's investigation in the months after the Kearney indictment. And he began to urge that Mr. LaPrade be recalled and given a chance to change his earlier testimony, sources said.

Finally, in early December, Mr. LaPrade and his New York attorney, Thomas Bollen, met at the Justice Department with Benjamin Civiletti, head of the criminal division, and other Justice attorneys. Mr. Bell joined the meeting for only a few minutes to make his personal appeal for Mr. LaPrade to tell the truth, according to sources.

Strategy Differences

It was also in early December that the five-member civil rights division team asked to be taken off the case because of what were said to be differences in strategy.

A new 10-member task force took over and began concentrating attention on high-level officials at FBI headquarters who may have approved the break-ins. Mr. Bell has been considering their recommendations for the last few weeks.

There have been indications that the task force recommended prosecutions of former FBI Director Patrick Gray 3d, Mark Felt, the former No. 2 man in the bureau and Edward Miller, who was head of the FBI's domestic security division during the period of the break-ins. The Justice Department is reported to have proposed that the men plead guilty to minor charges of civil rights violations.

Mr. LaPrade's case was expected to be handled through a disciplinary proceeding and might even be dismissed.

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Obituaries

Ford Frick, 83, Overseer Of Baseball in 1951-65

BRONXVILLE, N.Y., April 9 (AP)—Ford C. Frick, 83, commissioner of baseball from 1951 through 1965, died yesterday after a monthlong stay at a hospital.

Mr. Frick, a former sportswriter and columnist, semiprofessional baseball player, college professor and radio commentator, became the sport's third commissioner after Kenesaw (Mountain) Landis and A.B. (Happy) Chandler.

He had suffered strokes in recent years and had been hospitalized several times.

Mr. Frick joined the National League as a member of its publicity staff in 1933 and was named league president a year later upon the resignation due to ill health of John Heydler.

He served in that post until Sept. 20, 1951, when he succeeded Mr. Chandler. Mr. Frick was elected to the Baseball Hall of Fame by the oldtimer's selection committee in 1970. He served as commissioner until 1965, when he was succeeded by Gen. William Dole Eckert.

mala and publisher of the newspaper La Hora, died yesterday after a long illness, his family announced. Mr. Marroquin Rojas served as a congressman and was vice-president in 1966-70. He was the founder and first president of the Guatemala Journalists Association, which will celebrate its 31st anniversary tomorrow.

Sir Clough Williams-Ellis

PORTMEIRION, Wales, April 9 (AP)—Architect Sir Clough Williams-Ellis, 94, the first chairman of Britain's new town development after World War II, died in his sleep at his home here early today.

Sir Clough headed the Stevenage development corporation which planned and built a town of that name in the Hertfordshire countryside, 28 miles north of London.

Robert A. Gordon

BERKELEY, Calif., April 9 (UPI)—Robert A. Gordon, 69, an economist and international authority on business cycles and man-



Ford C. Frick

power policy, died of a heart attack Friday.

An emeritus professor of economics at the University of California, Dr. Gordon was a consultant to the Council of Economic Advisors under Presidents Eisenhower, Kennedy and Johnson.

Ko Mizushima

TOKYO, April 9 (UPI)—Ko Mizushima, 84, former chairman of IBM, Japan, died of a brain hemorrhage at his home in Yokosuka, south of Tokyo, his family reported today.

Using U.S. Radio Telescopes

Astronomers Find 'Cosmic Blowtorch'

By Walter Sullivan

NEW YORK, April 9 (NYT)—A "cosmic blowtorch" more than 750,000 light-years long and originating in the heart of an elliptical galaxy has been detected by radio astronomers. Its source, mappers of the jet believe, may be gas compressed by an extremely massive black hole.

Observation of the elongated jet, whose structure resembles that of a blowtorch flame, may help explain how the largest structures known to science have come to exist.

These structures consist of galaxies, or giant assemblages of stars, that emit intense radio waves from their visible region and often even more strongly from satellite sources millions of light years out along opposite extensions of their spin axis.

A light year is the distance that light travels in a year at the rate of 186,000 miles a second. It takes light eight minutes to reach the earth from the sun.

Narrow Link

It has been widely assumed that the farflung satellite sources of radio emission are objects blown out of the galaxy by past explosions. However, the newly mapped jet forms an extremely narrow, continuous link between the core of the galaxy, known as NGC 6251, and one of its satellite regions (in this case with double structure).

Each year it is estimated that this jet transports to that satellite energy and matter equivalent to that of four suns. How such vast amounts of energy are generated within radio-emitting galaxies remains one of the prime mysteries of contemporary physics.

The black hole that, it is suggested, may exist in the core of NGC 6251 would be 100 million times more massive than the sun. Other astronomers have recently presented more direct observational evidence for a black hole in galaxy M-87 that is 5 billion times more massive than the sun.

The M designation refers to the Messier catalogue of such objects. The NGC prefix refers to the New General Catalogue of Nebulae and Clusters of Stars published in 1888 by J.L.E. Dreyer of the Armagh Observatory in Ireland.

The new observations of NGC 6251 were carried out July 23-24 by astronomers of the California Institute of Technology using three widely spaced radio telescopes. They were stationed at the Haystack Observatory in Westford, Mass.; the National Radio Astronomy Observatory in Green Bank, W.Va., and the Owens Valley Radio Observatory in Pine, Calif.

Atomic Clock

The recordings were timed by a high precision atomic clock so they could be played, each against the other, using interferometry to map the source region in terms of radio emissions. Dr. Marshall Cohen of

the group said that because of new devices mapping was possible in greater detail than ever before.

His colleagues were Dr. A.C.S. Readhead and Dr. Roger Blandford. Dr. Blandford, who also analyzed the results, estimated that the jet was flowing at 20 times the speed of sound in such a medium. To retain its narrow integrity for so great a length, he believes it must originate in density sufficiently extreme to suggest compression in the vicinity of a black hole.

The latter is an object so dense that it is invisible because its gravity prevents light or anything else from escaping.

The Cal Tech group based its work on earlier, less detailed mapping of the region by a group at Cambridge University in England. This showed the outer part of the jet leading toward one of two areas of intense radio emission on opposite sides of the galaxy. The Cal Tech observations extend the jet to the innermost core of the galaxy.

Dr. Blandford was asked why oo jet had been detected serving the opposite satellite source. The receivers were "only just" able to

record the observed jet, he said, and there well may be a fainter one reaching in the opposite direction.

The Cal Tech group likened the source to a De Laval nozzle of the type that, in a jet engine, converts a subsonic stream of gas to supersonic speed. The findings were reported in the March 9 issue of the British journal Nature.

Security Police Seize Cypriots In Alleged Plot

NICOSIA, Cyprus, April 9 (UPI)—Security police arrested a group of Greek Cypriots who were allegedly planning attacks on local politicians and foreign dignitaries, the government said yesterday.

An official statement said that one of the three persons seized in the southern port city of Limassol was Andreas Pavides, alias The Doctor—the man who kidnapped President Spyros Kyprianou's 21-year-old son, Lt. Achilles Kyprianou, in December.

Mr. Pavides, a medical doctor in his 30s, was pardoned for the kidnapping when he freed the president's son after three days.

Mr. Pavides' fiancée, Androulla Neocleous, was also arrested in a separate raid and police found an automatic pistol at her home, a spokesman said.

Carter Is Upheld On Texas Funds

WASHINGTON, April 9 (WP)—A federal judge has upheld President Carter's claim of executive privilege and refused to order the release of White House documents dealing with a decision to block a government grant to a Texas anti-poverty organization.

U.S. District Judge Gerhard Gesell ruled that there was no evidence of "any wrongdoing" by the White House in connection with the case and that, therefore, the President could not be compelled to surrender the documents being sought by the Texas organization.

The case involves a decision by the Community Services Administration last year to withhold a \$855,000 grant to the Zavala County Economic Development Corporation. The Mexican-American organization, located in the south Texas community of Crystal City, has feuded frequently with Gov. Dolph Briscoe and has been aligned with Hispanic forces seeking to establish a third political party to challenge the state's Democratic establishment.

Vote Promised In Bangladesh

DACCA, Bangladesh, April 9 (AP)—A senior official announced yesterday that Bangladesh—under martial law since November, 1975—will return to constitutional government and hold elections this year.

Masudul Ahmed, an adviser to the president, set no date for the apparent return to civilian rule.

The government of this impoverished six-year-old nation, formerly the east wing of Pakistan, promised in mid-1976 to hold an election by February, 1977. The plan was scrapped on grounds that it would endanger peace.

Israeli Seamen End Three-Month Strike

TEL AVIV, April 9 (AP)—Israeli seamen ended a strike Friday that lasted nearly three months and agreed to submit their pay demands to an arbitrator.

Backed by a government policy to remain adamant against wage increases, the merchant fleet management stuck to its original offer of a 20-25-per-cent pay rise to about 2,000 seamen. The management also demanded, and received, a promise from the union to avoid another shutdown during the new contract.

Return of Shape in Paris Fashions

Slim Silhouette Sure Thing for Winter

By Hebe Dorsey

PARIS, April 9 (HT)—The main story out of Paris is the return of the shape.

The slim silhouette, which has been lurking at the door of spring, is now a sure thing for winter. It is often concealed under pleats and flounces, with voluminous garments still around, but that is only a transition at best. The most advanced designers have already taken the jump—and Karl Lagerfeld, who will show Chloé's collection tomorrow morning, is coming right out with an hourglass shape.

The slender silhouette is a challenge because it is harder to do than the current look, which often became an assemblage of loose, unconstructed layers that mostly relied on good color and a sense of texture.

It all hangs on wide shoulders and the resulting looks borrow from every possible world—military, explorer, rugby player or weird astronaut.

The coat, long out of the picture, makes a spectacular comeback but in a new, slim, masculine overcoat shape.

Skirts Are Long

Jackets, on the other hand, are softer and shorter and invariably worn over matching vests. Skirts are long, sometimes reaching as low as the ankles, and worn with wool stockings and high-heeled boots. But pants, and more pants, are clearly saying that this now has to be a woman's world.

Jewelry is on the nutty side. Often made of colored, fake crystal, it is sometimes as big as lollipops. Fabrics are different, too. The soft, spongey, lacey kind has given way to dryer, duller textures, often stiffened by quilting. Corduroy, tweed, broadcloth and lots of leather.

er give the collections a strong, rugged look. Velvets and satins dominate the evening picture.

At Jean-Claude de Luca's, it is no fuss, no frills. He believes in a strong, aggressive woman.

Giant Blouses

In a collection that denoted a much stronger hand than usual, De Luca offered giant blouses with rugby player shoulders, still emphasized by huge, puffy sleeves. That woman wears pants or jumpsuits, thick corduroy, quilted kahki coats, black leather, cowboy boots and her gun strapped around her waist. She, for sure, is not one to be fooled with. Even her evening dresses, of sculptured, pleated lame, stand out around her as if to say, "Don't get anywhere near me."

Madrid Buries 'Spanish Lenin'

MADRID, April 9 (UPI)—A crowd of 130,000 Spaniards yesterday attended a funeral service for Francisco Largo Caballero, known as the "Spanish Lenin." The marchers were silent until after the burial, when they sang the "Internationale."

Mr. Largo Caballero, a president of the republic overthrown by Franco's army, fled to France after the civil war. He died there in 1946 at the age of 77. His remains were exhumed from a Paris cemetery and flown to Madrid Thursday.

Montana Suspect Held

EUREKA, Montana, April 9 (AP)—A man who allegedly killed a Montana highway patrolman after an auto chase surrendered to the police early today after releasing two men held hostage in their home, sources said.

With a most accomplished as well as imaginative collection, Claude Montana was hailed as the new Saint Laurent. His mostly leather collection was handled with the superb ease of a pro, his color sense was nice and alive and his evening brocades spectacular.

Montana did the big-shoulder look, but with a softer, more rounded effect. It was still bold, though, with padded and quilted shoulders, often accented with braids and tassels. Worn with pants, that collection borrowed heavily from men, with overcoats, parkas, blouses, spencers and bush lumber jackets.

He mixed leather with corduroy pants, plaid skirts or simple T-shirt-style dresses. His love for fringes and tassels could be questioned, but his accessories were excellent. The funny hats were made by Jean Barthet and Paulette and the shoes, including the flat gold brocade slippers, were by Sacha.

Thierry Mugler is a young, ideal-filled designer whose last collection uses the slim silhouette so heavily that his skirts had to be slit on both sides.

Outer Space Woman

No surprise otherwise, Mugler's woman comes from outer space with heavily padded and ribbed shoulders, tightly belted waists and astronaut shoes.

Mugler's shoulder treatment included different-colored ones, making for an even chunkier look. His best moments were the stiff jumpsuits, the raincoats with patent-leather shoulders, the navy cadet look and the black velvet jumpsuits.

The French ready-to-wear big guns have not yet shown.

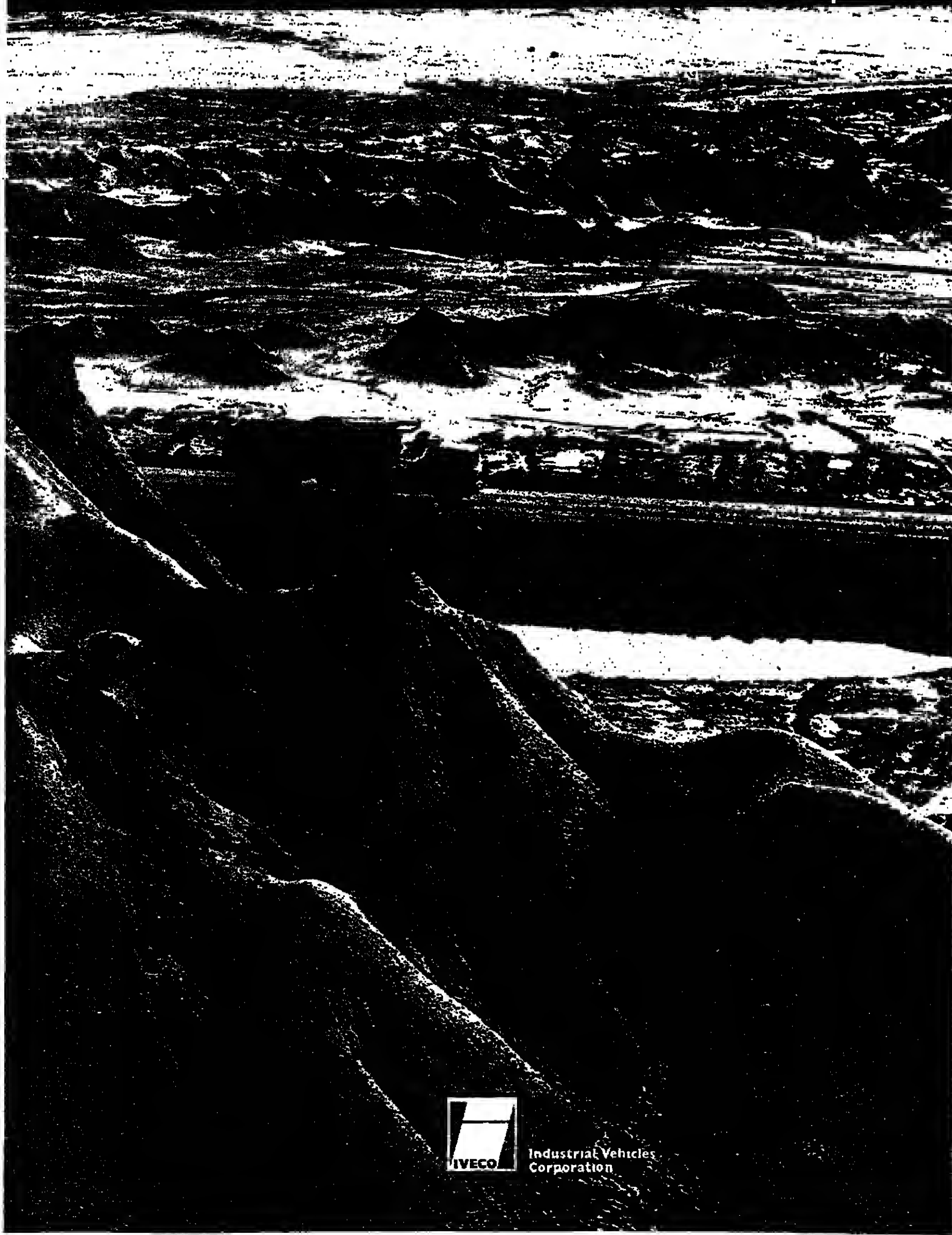
The last leg of the European fashion season belongs to the British, who will be showing in London next weekend.



Lagerfeld's evening dress with hourglass shape for Chloé.

A truck working on a construction site. A truck crossing a continent. A bus carrying tourists, or workers, or schoolchildren. Vehicles named Fiat, OM, Lancia, Unic, Magirus-Deutz. This is the world of Iveco.

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Youths Protest Unemployment In Washington

WASHINGTON, April 9 (AP)—Several thousand young people, many out of work, demonstrated on Capitol Hill yesterday, saying the President and Congress have not done enough to create jobs.

The Youth March for Jobs Committee, a New York-based group which organized the protest, estimated the crowd at 5,000.

"We are here to remind President Carter that if this country has enough money to give arms to Turkey, to give arms to Israel, to give arms to Egypt, then there must be enough money to provide jobs for all who want them," said the Rev. Eugene Callender of Church of the Master in New York's Harlem. He said the demonstrators brought "a message to all the power brokers in Washington. We want jobs and we want those jobs now!"

The demonstrators marched from the Lincoln Memorial, past the White House to the Capitol carrying banners and chanting slogans.

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The Carter Neutron Statement

For the moment, anyway, President Carter seems to have come out at the right place on his neutron-weapons decision. He has kept in train the activities that will make production of those weapons possible within about a year's time (that is, he has not called off production) and he has said that he will decide "later" whether actually to start up such production when it becomes possible to do so. The production decision, Mr. Carter said in a statement issued from the White House on Friday, would be "influenced by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms programs and force deployments affecting the security of the United States and Western Europe." Meanwhile, the relevant weapons will be modernized and made ready to receive either the neutron or other improved shells and warheads.

The President, in our view, has conditioned his decision on precisely the right things: Soviet restraint in the relevant categories of military action—not on some tangentially "linked" Soviet enterprise. And he has publicly committed the U.S. government to go forward with needed modernization of the affected weapons whether the end result will be neutron warheads and shells or not. This is as it should be. The question of whether or not the United States should proceed with production of neutron weapons and whether the NATO countries should accept them was—and remains—a legitimate and dead-serious public issue. But there was something skewed, even grotesque, in the way the thing had come to be perceived as a question of whether or not the United States would embark on some villainous, strangloving enterprise likely to introduce a new element of horror into the East-West military balance.

In saying we think Mr. Carter has come out at the right place "for the moment," we

mean to suggest that the wisdom and merit of his decision can only be proved out in the months ahead. The point is that, if this exercise in bargaining is to have the right effect, the position Mr. Carter now takes must be plausible and real: It will have to be indicated to the Russians that he is not just sitting by his telephone waiting for an overture or a vague promise to talk about talking to use as an excuse for deciding against production. It will have to be demonstrable that the neutron option is one he will only pick up or forgo for clear and practical reasons of military defense. It will have to be demonstrable, in other words, that Mr. Carter is absolutely serious about and committed to the position he took on Friday. We are bound to say that this is likely to be somewhat easier now that he has a rather clearer signal from the key NATO countries than he did before the recent flap. And to some extent Mr. Carter's own apparent backing and filling on the issue could be explained by the spot those NATO countries had put him in—wishing the United States not just to take the lead on neutron weapons, but also to take all the political heat. Events of the past week or so have at least got the Germans and some others to record publicly their private positions on the question. In fact, the politics of the neutron decision, especially in Western Europe, are almost as complicated as the chemistry and physics involved. And there is, both here and abroad, a certain amount of political (or "image") damage for Mr. Carter to try to undo in relation to what went before. But we think the President, who has made plain both his keen desire to turn down the nuclear-weapons competition and (now) his unwillingness to do so unilaterally in the face of a Soviet weapons build-up, has made a good start.

THE WASHINGTON POST.

Taking a Chance on Turkey

Secretary of State Vance told Congress last Thursday that if only it would lift its restrictions on shipments of U.S. arms to Turkey, the Turks and Turkish Cypriots would put forward new proposals for a Cyprus settlement. He may be right. But the issue is not whether there will be new proposals. Rather, it is whether the proposals will move Turkish troops back from the 40 per cent of Cyprus they now occupy to a zone more nearly proportional to the 18 per cent of the island's population that is Turkish. Vance is thus asking Congress to join him in betting that once the U.S. restrictions are removed, the Turkish government of Prime Minister Ecevit will be able to make large concessions that could not be made while the limits remain.

The bet may be a bad one. In Turkey's politics, no time is a good time for conceding territory to Greek Cypriots. And Ecevit's position seems less strong now than it did when he returned to office last Jan. 1. In parliament he has been able to govern without the votes of ultranationalists. But in the streets extremists continue their campaigns of violent intimidation that have taken more than 100 lives this year. There is no reason to think that Ecevit himself does not want to be generous so as to remove the Cyprus problem from his crowded agenda. But in the pre-

vailing political climate, concessions that are even remotely acceptable to the Greek Cypriots may be impossible. And once U.S. pressure is removed, Ecevit will have even less reason to take political risks.

Vance emphasized the strains that the limits on arms shipments impose on Turkish politics and Turkey's links to NATO. But he glossed over the comparable strains on Greek politics, and Greece's links to NATO, if the removal of the restrictions is not accompanied by a satisfactory outcome on Cyprus. Greece is no less important to NATO's southern flank than Turkey. Any bargain that "saves" Turkey for the alliance at the cost of losing Greece would be hollow indeed. And if, as is likely, Congress should refuse to ease the limits on Turkey, the administration's present approach risks alienating both countries.

Turkey's spokesmen decry what they see as a U.S. tilt toward Greece, and they say that they only want Americans to be "even-handed." Yet in the present Cyprus situation, removing the arms limits would amount to a tilt toward Turkey. So long as Ankara's troops remain where they are on the island, Congress should retain the only leverage it has.

THE NEW YORK TIMES.

Joe Campos Torres

Joe Campos Torres was a 23-year-old Mexican-American who died in Houston, Texas, after being beaten by three city policemen. The mild punishment imposed on the former officers last month has aroused the indignation of Houston's Hispanic community, of observers around the country and, now, of the U.S. Department of Justice.

A federal district judge sentenced the three defendants to a year in jail for violation of their prisoner's civil rights—a sentence that the Justice Department describes as "entirely inappropriate considering the offenses for which the defendants were convicted." Aiming for review by a higher court, the department argues that federal law forbids suspending a sentence for an offense that carries a maximum penalty of life imprisonment.

The Justice Department's intervention is unprecedented, and may prove to be nothing more than a gesture against an abuse of judicial discretion. But it does draw attention to the leeway in sentencing now enjoyed by federal judges and the difficulty of redressing an apparent wrong. In Houston, the judge's sentence was so gentle for a crime so brutal that it attracted national concern. But there are many other less-noticed cases in which judges have shown remarkable leniency, particularly toward those convicted of white-collar crimes.

larity toward those convicted of white-collar crimes.

An attempt to bring this troubling situation under control is embodied in the major revision of the federal criminal code that has passed the Senate and is languishing in the House. Sentencing guidelines would be set for various categories of crimes. In the Houston case, for example, a sentence of four to five years, without parole, might have been suggested. The judge would still have been able to give a shorter—or longer—sentence, but if he had done so, he would have had to state in writing the reasons he was not following the guidelines. If he handed down a heavier sentence, the defense could appeal. If it was lighter, as light as the one in Houston, the prosecution could appeal and the appellate courts could increase the penalty or send the case back to the trial judge.

This provision of the code has been criticized on the ground it could result in harsher treatment of poor and minority defendants. But the defense would have the right of appeal against unusually stiff punishment. And, as the scandal in Houston demonstrates, poor and minority victims, too, need protection against judges whose sentences do not by a long shot fit the crime.

THE NEW YORK TIMES.

In the International Edition

Seventy-Five Years Ago

April 10, 1903

CHICAGO—President Roosevelt participated in a picturesque scene yesterday at Bismarck, N.D. There is a reservation belonging to the Sioux Indians near that place, and 20 chiefs of the tribe, including several old warriors who fought U.S. troops in the Sioux wars, came into Bismarck to greet "The Great White Father" and present him with a stone pipe of peace.

Fifty Years Ago

April 10, 1928

PARIS—With Mme. Curie holding first place, the arts, sciences and athletics are represented by the 10 women who rank highest at present in a poll to determine the most popular woman in the opinion of the people of France. The only American woman mentioned, thus far, is the late Lois Fuller, the dancer. Several British women have been named: Mrs. Emmeline Pankhurst, George Eliot and Edith Cavell.



Necessity and Honorable Men

By Stephen S. Rosenfeld

WASHINGTON—It struck me, while listening to a covey of former CIA directors testifying the other morning on a proposed law to control the intelligence community, that people who do secret security work have a special personal need to have their "honor" avowed and confirmed.

Perhaps it is that they move in a world where deeds considered strange or deceptive or even illegal are regularly practiced, and where they see (and look for) the raw and ugly side of other people, and where the moral or legal compass bearings that "normal" people supply to each other in their daily routine have been blurred by the secrecy or ambiguity or sense of high national mission touching much intelligence work. They need to know that their work is valued, and so are their souls.

I have to say I had been reading the brilliantly conceived British thriller "The Honourable Schoolboy," whose title figure, a spy with journalistic cover, is not only an aristocrat (The Honourable . . .) but, in author John Le Carré's evident view, an honorable man. Of which more below.

William Colby, a former CIA director, was testifying. To make his point that across the centuries states have exempted intelligence from the constraints of law, he cited Nathan Hale, executed (at age 21) for spying on the British, and quoted Hale's belief that "every kind of service, necessary to the public good, becomes honorable by being necessary."

Becomes honorable by being necessary—the first U.S. statement of the ethical code of what is sometimes called the national security state? Colby himself now rejects that code. He doesn't feel CIA people necessarily have been dishonorable. Quite the contrary. He told me during a break in the hearing that the level of honor in the agency was a good deal higher, though unnamed, than the public realizes. The title of his own forthcoming book is "Honorable Men."

But Colby has made a great leap. He has abandoned the old-school notion that it is enough for the CIA to be guided by a sense of institutional honor. He welcomes, as he said in his testimony, the new concept, represented by the proposed legislation, "that American intelligence must operate under the confines of the Constitution we Americans have established as the framework to govern our affairs."

Between a code of honor and the rule of law lies a tangle of history, some terrible abuses, some honorable acts, much moral confusion. The difference between the two is not that of night and day, arbitrariness and legality or, in an operational context, effectiveness and inadequacy. It would be more accurate to say that the national consensus has changed. Formerly it supported the honorable old-school boys of the CIA, who were deemed unimpeachable of the customary democratic controls, and now it supports the Senate's historically unprecedented project of bringing intelligence under law.

You cannot say, however, that the new concept has swept the whole intelligence community. In a rare public speech in 1971, then-CIA director Richard Helms, manifesting the intelligence man's characteristic craving to have his honor stroked, pleaded for the American people to believe "that we, too, are honorable men." He conceded: "The nation must to a degree take it on faith." Obviously, he did not

expect that subsequent disclosures — of abuses that took place, unadmitted by him, during his directorship — would let the nation judge the CIA's honor, and his own, on a more solid basis.

Helms went on to give the public an even more direct insight into his own system of values. Convicted last year of failing to testify fully and accurately to Congress about CIA operations in Chile, he described his conviction to the press as "a badge of honor"—it meant to him that he had kept his agency oath not to divulge classified information. I found it sickening that he could actually take pride in feeling himself above the law.

"I chose the secret road," Le Carré's spy master, George Smiley, sums up, "because it seemed to lead straightest and furthest toward my country's goal." Le Carré leaves Smiley morally neutered, believing only in conspiracy: "The sword I have lived by . . . the sword I shall die by as well."

But he takes the honorable schoolboy himself, the journalist-spy, the final step forward. "You point me and I'll march," Gerald Westerly begins. At the end, catastrophe overwhelms him, but not only catastrophe. Not as a spy but as a man, one who loves, his honor is redeemed.

Evaluating the Weizman Mission

By Joseph Kraft

JERUSALEM—Anwar Sadat calls him "my friend Ezer," Washington loves him, and he is possibly the most popular politician here in Israel.

So Defense Minister Ezer Weizman seems to be in a good position. If the direct talks he is now undertaking with President Sadat cannot rescue the Israeli-Egyptian peace talks then nothing can.

Gen. Weizman is a very hard man to dislike. He looks like Douglas Fairbanks, and also acts in the same open fashion.

In the autobiography that tells the exciting story of his life as a pilot and Israeli air force commander, he candidly admits that

his great weakness is "overconfidence." A few days ago he acknowledged that his move to put a government of national union in place of the present regime led by Prime Minister Menachem Begin was a political blunder. Only hours after he first met Anwar Sadat during the famous Jerusalem visit they were both talking intimately about relatives lost in the 1973 war.

As Weizman sees the Egyptian-Israeli negotiations, the big problem lies in the psychology of the two leaders. Each believes that he has made a supreme concession, but that his historic importance has been insufficiently recognized. So each is now hanging tough waiting

for the full measure of previous action to work their magic.

Sadat's great concession, of course, was the visit to Jerusalem and the expression of willingness to make peace with Israel. Weizman believes Sadat regards his trip as a kind of super-presentation that should have transformed the atmosphere totally. So the Egyptian leader has reacted harshly against Begin's detailed precautions for assuring Israeli security in the Sinai desert and on the West Bank of the Jordan.

Begin's great concession, in Weizman's eyes, was in not asserting Israeli sovereignty over the West Bank. For his whole political life the Israeli leader has believed that Samaria and Judea, the territories west of the Jordan, were part of the Israeli homeland. In his peace plan, he not only yielded sovereignty over the Sinai desert back to Egypt, he also agreed to suspend Israeli claims on the West Bank temporarily. That suspension could last forever, and could even lead to a Palestinian state.

But far from getting credit for the concession, Begin has been reproached for not matching Sadat in generosity. He has been accused of being intransigent on Israeli settlements and withdrawal from the West Bank.

So when Sadat feels unappreciated, Begin feels positively hurt. Weizman's principal aim in shuffling between Jerusalem and Cairo is to explain each leader to the other. He would like Sadat to see what far-reaching concessions the offer made by Begin actually implies. He would like to draw from Begin a new appreciation of the historic contribution made by Sadat.

The defense minister hopes to do

more than merely course wounded vanities. He aims to promote concrete agreement on difficult points. For example, he is advancing proposals whereby Israeli settlements might be maintained in the Sinai without any breach of Egyptian sovereignty. "We are getting down to brass tacks," he tells visitors.

One reason for getting down to brass tacks is to probe Egyptian intentions. Many Israelis believe that President Sadat has been steadily hardening his position while causing Israel to lose public opinion, particularly in the U.S., by focusing attention on the settlements and the West Bank. They do not want to continue that losing game forever, and if they come to believe that they are simply being pushed down a slippery slope, they will cut off the talks. Getting specific responses to specific questions is a way of trying to see if the negotiations are really going anywhere.

A Long Way

But Weizman is a long way from that pessimistic position right now. He believes Sadat genuinely wants an agreement. He thinks Sadat would find it extremely difficult to admit that his great initiative has failed.

He is further convinced that Israel's Lebanon invasion helped Sadat by discrediting the Syrians, Iraqis and Palestinians, and thus validating the argument that Egypt and Israel are the only major parties to the conflict in the Middle East. He finally feels that Saudi Arabia, far from curbing Egypt as many assert here and in Washington, is actually supporting the Sadat peace effort.

So, as he tries to keep alive what remains of the Egyptian-Israeli peace talks, Weizman is not depressed. "I feel confident," he says, "in a stormy period."

Offering Israelis Solid Guarantees

By James Reston

WASHINGTON—The Carter administration has not abandoned its search for a "comprehensive peace settlement" in the Middle East. It is far from a decision on the "bold initiatives" it thinks will be necessary to break the diplomatic impasse, but it has some ideas.

For example, some high officials here are now studying the possibilities of a U.S. treaty guarantee of any compromise settlement that may be negotiated, backed by a U.S. air base in the Sinai and a naval base at Jaffa — if such an arrangement were acceptable to Israel and her Arab neighbors.

This obviously raises a host of complicated questions: Would Israel accept Washington's conditions on borders and the Palestinians even if the United States guaranteed Israel's political independence and territorial integrity? Would such guarantees mean much without U.S. air and naval bases in the area?

How would the Arab states react to all this? And would the Congress of the United States and the American people, after their disillusioning experiences with political commitments in Vietnam, support such a treaty even if proposed by President Carter and endorsed by Israel and the major Arab states? Israel has shown little enthusiasm for a U.S. guarantee in the past. It has feared that such a treaty would limit Israel's freedom of action. What Israel prefers is U.S. military aid and freedom to use it as she likes.

Security

That, however, was before the present confrontation between Carter and Prime Minister Begin. Begin has complained that Sadat's peace plan was more "theological" than practical. For one thing, as Begin sees it, they would provide no security for Israel after Sadat was gone. For another, they would provide no security from attack by Israel's other Arab neighbors.

The U.S. treaty guarantee idea under discussion here — it is still no more than that — is intended to provide that practical military security that all political parties in Israel want. But no such guarantee is even remotely possible without fundamental changes in Begin's position on territory and the Palestinians, and the sale of U.S. planes to Saudi Arabia and Egypt.

From the U.S. point of view, a comprehensive settlement, backed by specific guarantees, carries both risks and advantages. In the event of a Middle East war, the United States would obviously be involved immediately, with unpredictable consequences for U.S.-Soviet relations.

On the other hand, the United States would be in a better position to prevent the outbreak of war un-

der a treaty obligation with bases in the area than it is now. Neither the Arab states nor Israel would be likely to start a war against the terms of the treaty and in opposition to the United States with its naval bases in the area backing up the U.S. Sixth Fleet.

Also, such a military presence, according to the advocates of this arrangement, would discourage any military adventures not only against Israel but against Saudi Arabia and the turbulent states at the mouth of the Red Sea and along the Horn of Africa.

In Common

Israel, Egypt, Jordan and Saudi Arabia, while they differ on many things, at least have this one thing in common: They are all opposed to the spread of Communist influence and power in the Middle East and in Ethiopia and the Sudan.

But without a comprehensive settlement, backed by U.S. guarantees and military power, they are not able to agree among themselves or even to think about a regional non-aggression pact that might stabilize the area after generations of confusion and war.

The guess in Washington — it is no more than that — is that the Senate would ratify such an arrangement after protracted debate if it seems likely to bring genuine peace and cooperation to this strategic corner of the world, for the risks of continued disruption, unquenched by Communist penetration, are at least as great as the risks of a formal U.S. political and military commitment.

Finally, at least some officials in Washington are coming to the view that it is no use waiting until Israel and the Arab states negotiate a comprehensive settlement before facing the question of U.S. guarantees. For there is little likelihood that such a compromise will be reached unless the offer of U.S. guarantees and bases comes first.

All this, of course, will require protracted negotiations, first within each government concerned, and later between Washington, Jerusalem and Washington, and Cairo. But at least such ideas are being discussed here and may provide new ways of approaching the present diplomatic blockade.

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials but preference will be given to those fully signed and bearing the writer's complete address. The Herald Tribune cannot acknowledge letters sent to the editor.

Euromarket

Dollar Bond Prices Move Up As Investors Reassess Outlook

LONDON, April 9 (AP-DJ)—Eurodollar bond prices moved up last week amid indications that sentiment among professional money managers is becoming more positive toward dollar investments.

In talking about both the dollar's foreign-exchange rate and the yield structure of the Eurodollar bond market, many specialists are now arguing that market prices have already discounted the adverse financial effects of a continuing large U.S. trade deficit and a rising rate of U.S. inflation.

"We are seeing a lot of institutional demand for dollar bonds because the professional managers now think that the downside risk is limited," an executive at a large Swiss bank said.

He added that a certain amount of switching from Deutsche mark and Swiss franc issues into dollar bonds is taking place due to the view that the dollar is now at sustainable levels and may rise later in the year.

'May Be Over'

A similar view was taken by Phillips & Drew in its first monthly market letter devoted to the Eurobond market. "With the prospect of some improvement in the U.S. trade deficit during the second half, we believe that the worst of the dollar's weakness may be over," the London brokerage firm said.

It added that further substantial appreciation of the mark is doubtful because of a projected decrease in West Germany's current-account surplus and because of the inflationary expansion of that nation's supply.

Aside from recommending a switch out of long-term Eurodollar

bonds into short-term dollar bonds, Phillips & Drew said investors should look at the possibility of investing in those long-term Eurodollar bonds which have heavy amortization schedules and which are selling at substantial discounts. "Issues of this type may be purchased with the aim of making a profit when the sinking fund buys in the current year, or on a medium-term (three- to four-year) view that the price will be forced closer to par by the operation of the fund, even though the interest climate is unfavorable."

Calendar Lights

Although prices of Eurodollar bonds were pushed up over the week, the calendar of scheduled offerings remained flat.

Phillips & Drew offered a \$35-million, seven-year note for Industries Finance Corp. with an indicated annual coupon of 9 per cent.

In the Midwest, Teollisuuden Voima, the Finnish electric power utility is selling a \$25-million, 10-year issue with a coupon of 8.875 per cent. The terms were considered a bit tight but some specialists said it was the best the issuer would be willing to do at a discount.

Ishikawajima Harima Heavy Industries is the second Japanese industrial company to tap the market for floating-rate notes. Its \$50 million, five-year offering will bear semi-annual interest at the higher of either 3.75 per cent or 0.25 points above six-month Eurodollar offered rates. The issue is guaranteed by Dai Nippon Bank.

Though the DM is the Swiss franc bond markets were not performing well during the week, the market for yen-denominated foreign issues continued to boom even

U.S. Commodities

NEW YORK, April 9 (AP)—Wheat futures prices were propelled to new contract highs last week on speculation that China had bought a large quantity of wheat for the first time since 1974.

By the final session Friday, rumors were widespread that China had purchased a million metric tons of wheat and was in the market for other grains. Agriculture Department officials said they couldn't confirm such a sale.

Despite temporary setbacks stemming from President Carter's threat to veto emergency farm legislation, May wheat contracts netted gains of 13 cents for the week to close at \$3.26 1/4 a bushel.

Nearly grain and soybean contracts traded on the Chicago Board of Trade received particular support because of the tightness of available supplies, analysts said.

Soybean futures values, after plunging the daily limit of 30 cents a bushel in nearby months on Monday, recouped most of the losses by the end of the week. The May contract gained 10 1/2 cents, while other old crop deliveries were 5 to 1 1/2 cents lower. Corn futures values ranged from 7 1/2 cents higher in the current contract to 3 1/4 cents lower in distant months.

Metals futures were "on a very nervous roller-coaster ride," said one market expert.

After zigzagging most of the week, gold contracts on New York's Comex averaged net losses of \$7 an ounce to finish at \$177.70 in the April delivery. Silver futures slipped about 26 cents to \$5.255 in the May contract.

Liquidation in anticipation of President Carter's speech outlining his anti-inflation program contributed to a selloff in those markets. Earlier in the week, metals trading was influenced by contradictory reports concerning Treasury's intentions to auction gold from U.S. reserves to aid the dollar.

Copper futures prices surged 1 1/2 cents a pound to 61.6 cents in the April contract on reports that Japan's demand for refined copper has increased substantially since production cutbacks were made in Africa.

Livestock futures posted a good advance on the Chicago Mercantile Exchange, with cattle contract prices rising 1.47 to 2.21 cents a pound and hog deliveries climbing 1.25 to 1.67 cents.

By the end of the week, soybean prices ranged from 10 1/2 cents higher to 1 1/2 cents lower, with May quoted at \$7.004 a bushel; wheat advanced 6 1/2 to 13 cents, May \$3.26 1/4; corn was 7 1/2 cents higher to 3 1/4 cents lower, May \$2.63 1/4, and oats were 1 1/4 to 1 1/2 cents higher, May \$1.43 1/4.

though interest rates on most yen issues were lowered by 30 basis points at the beginning of April.

Well Received

Norway's 25-billion-yen, five-year notes were well received. Priced at 99.2 bearing a semi-annual coupon of 5 1/2 per cent, the notes were bid at 1.01 even though the offering technically had not been completed. A 15 billion-yen, eight-year Argentine government issue also sold well though it was not as well received as Norway's. Priced at 99.10 with a coupon of 6.4 per cent, the Argentine issue was trading at around 99.30.

Prices of Eurosterling bonds stabilized somewhat last week, but

(Continued on Page 11, Col. 1)

The U.S. Economic Scene

Inflation Causing Widespread Concern

By Thomas E. Mullaney
SAN FRANCISCO, April

Mr. Schultz's prescriptions for dealing with inflation include "suppression of the price-setting activity of the new unionism," fast legislation; a reduction in federal spending "to bring the budget back into control," a moratorium on cost-raising measures by Congress; a "tough stance" against expansive monetary policies and a rollback of

"unreasonable" government regulations that are costly to business and impede new investments.

Mr. Schultz says that he is opposed to the move to reduce the Social Security tax increases scheduled to become effective next year. However, he favors an across-the-board tax cut that might be even larger than the \$25 billion proposed by the administration, provided that steps were taken to scale down federal spending in the next several years.

And he maintains that waxing-incentive proposals in moderate inflation, such as those suggested by Arthur Okun, an economist at the Brookings Institution, and Henry Wallich, a governor of the Federal Reserve Board, are "on the wrong track" because they require all the rules and regulations of a formal wage-price controls system.

Mr. Biaggini stresses the need for less government regulation of all industries as an anti-inflation policy, especially in energy development.

"The railroads have been regulated longer and more severely than any other industry and they also happen to be the industry in the most financial trouble," he said. "That ought to tell us something."

Mr. Biaggini said that he was "against controls in any form and hopes the nation doesn't go down that route again."

"The fundamental reason why the dollar has been declining," Mr. Biggini said, "is that the market sees the rate of inflation in the

ket sees the rate of inflation in the United States going up and the rate of inflation elsewhere going down, and also sees a demoralized United States economy, where we are not able to face big issues and take decisive actions. If we had strong anti-inflation measures in place, we wouldn't have to resort to those other actions."

New York Stock Market

NEW YORK, April 9 (NYT)—Despite the lingering worries of investors about inflation, interest rates, the dollar and the vigor of the economy, stock prices managed to move higher last week. For the present, at least, it seemed to indicate that these worries — and others — already had been built into the depressed level of the stock market. As a result, the Dow Jones industrial average rose 12.2 points to finish at 769.58.

Volume on the New York Stock Exchange amounted to 120.16 million shares, compared with the previous week's 106.51 million shares.

It was an eventful week in the fixed-income sector. On Monday, the Treasury auction fetched an average return to investors of 6.417 per cent for three-month bills. Six-month bills, also sold on a discount basis, provided a yield of 6.717 per cent. For both maturities, these yields at auction were the highest since February. Meanwhile, the yield on Bell System subsidiary bonds moved a shade above 8.75 per cent on Tuesday, the highest level in nearly two years. By contrast, a Bell unit sold bonds last June at a return of slightly below 8 per cent. Interest rates have been climbing since that time, spurred by a tightening of credit conditions by the Federal Reserve and by fears of increased inflation.

After the auction of Treasury bills, the market for Treasury and other short-term securities was relatively flat. The market for Treasury and other short-term securities was relatively flat. The market for Treasury and other short-term securities was relatively flat.

The stock market's sinking spell occurred on Monday and after that tumble — triggered by weakness of the dollar in foreign-currency dealings — things took a turn for the better in the remaining sessions. The dollar, still in its sick bed, appeared to lose a bit of its pallor and hopes were building on Wall Street that President Carter's message on inflation and other weighty matters, which is due on Tuesday, would bring some results.

While the Dow industrial index showed a moderate gain, the American Stock Exchange's market-value index moved briskly ahead, finishing Friday at the best level since its inception four and a half years ago. Basically, the Amex has benefited from its role as a marketplace for lesser-known and somewhat unseasoned issues. These so-called secondary stocks have been the market's best performers in recent months, in contrast to such institutions as favorites *Investment Company of America*, *K. M. Case*, *Banking Machine* and *Sears*, all listed on the Big Board. At the same time, the apparent speculative bulge in some Amex issues flashes a warning sign to more than a few Wall Street analysts that rising prices can involve rising vulnerability to a correction.

Over-Counter Market

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(Continued on Page 9, Col. 1)

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Handelsbank N.W. (Overseas)	Hill Samuel & Co.	E. F. Hutton & Co. N.V.	The Industrial Bank of Kuwait K.S.C.
Istituto Bancario San Paolo di Torino	Jardine Fleming & Company	Kipeco Finance S.A.	Kitcat & Aitken
Kleinwort, Benson	Kreditbank N.V.	Kreditbank S.A. Luxembourgeoise	Kuwait Financial Centre (S.A.K.)
Kuhn Loeb Lehman Brothers International		Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)	
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American Exchange Options

Option & price	Vol. Last	Vol. Last	Vol. Last	Close	Option & price	Vol. Last	Vol. Last	Vol. Last	Close	Option & price	Vol. Last	Vol. Last	Vol. Last	Close	Option & price	Vol. Last	Vol. Last	Vol. Last	Close
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Aetho 20 350 5% 14 6% 16 6%				25%	MesaP5 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP6 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP7 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP8 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP9 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP10 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP11 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP12 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP13 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP14 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP15 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP16 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP17 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP18 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP19 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP20 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP21 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP22 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP23 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP24 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP25 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP26 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP27 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP28 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP29 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP30 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP31 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP32 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP33 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP34 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP35 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP36 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP37 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP38 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP39 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP40 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP41 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP42 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP43 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP44 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP45 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP46 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP47 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP48 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP49 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP50 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP51 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP52 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP53 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP54 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP55 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP56 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP57 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP58 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP59 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP60 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP61 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP62 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25 1-14 48 7-14	58 3%	20%		
Aetho 20 350 5% 14 6% 16 6%				25%	MesaP63 30 b b b 10 4%	15 5%	33%			ASA 20 25 1-14 48 7-14	58 3%	20%			ASA 20 25				

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Consolidated Trading Of AMEX Listings

	Stotes	Wells	Low	Land	Chase
Daniels & Co.	254,100	22	21%	21%	+4%
Hornell, O.R.	476,800	22	19%	21%	+1%
Raynor Int'l	453,800	26	21%	27%	-1%
Tyler Pet.	397,200	9%	8	9	+4
Syracuse C.	307,300	26%	25%	26%	+1%
Tykes Man Oil	246,200	5%	4%	5%	+4
Shannon Chem	227,200	23%	21	25%	+1%
Colten Corn.	223,900	14%	12%	15%	+3%
Olsen Chem	214,200	24%	22	24	+1
Net Profit	215,400	32%	11%	11%	unch

Volume: 17,616,895 shares
 Year to Date: 17,622,390 shares
 Issues Traded In: 1,870
 Advances: 54; declines: 327; unchanged: 301
 Net Hight: 164; Low: 129; 15

NYSE Averages

	High	Low	Last	%
Int.	53.81	52.83	53.81	
Ins.	39.84	38.21	39.85	
Sec.	30.48	29.35	30.49	
Utilities	53.03	51.54	52.99	
Stocks	50.41	49.44	50.41	

	High	Low	Last	%
Indust.	99.17	97.30	99.17	
Transp.	12.85	12.48	12.85	
Unif.	52.06	51.43	52.06	
Finance	10.73	10.63	10.64	
Stocks	90.17	88.46	90.17	

	High	Low	Last	%
Indust.	772.89	747.85	748.58	+2.4
Transp.	191.79	202.74	208.02	+2.6
Unif.	106.33	104.47	105.95	+0.9
Finance	238.75	243.45	248.70	+2.0

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 (236091, 232101) Prinsengracht 687, Amsterdam (23-36-77, 23-36-78)
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 —GIROZENTRALE—
 April 1, 1972

Bonds	Last Price	Bonds	Last Price	Bonds	Last Price	Bonds
PGE 9/15/04	104 1/2	Rev R 5/1/02	99 1/2	SP Pru 6/15/00	70 1/2	LIPOCC Edge

PS Ind 9% 81	102	SwBT 8% 79	98%	UPacC 4% 89	53	Zurn 5% 84
PS Ind 8% 87	92%	SwBT 7% 12	85			
PS EG 5% 87	81%	SwBT 7% 13	88%			

Foreign Bonds

April 10, 1978



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Euromarket

(Continued From Page 7)

dealers conceded that it would take a long time before investors were lured back into this form of investment.

Managers of the 10-million, 10-year issue of Gestetner Holdings Ltd. raised the coupon by a half point to 11 per cent and priced it at par. But even this generous concession did not help, for the issue started trading at a two-point discount and was slightly lower by Friday.

Underwriters of a 15-million, 12-year issue for Whitbread & Co., the U.K. brewery, were expected to take up most of the issue themselves. The offering was priced at par, bearing 10.5 per cent. In the secondary market, a comparable issue of Allied Breweries carrying a coupon of 10.25 per cent was trad-

ing at 95.25 to yield 10.98 per cent at maturity.

In the DM sector, small central banks were said to be eager to purchase a 250-million DM, five-year Norwegian government note which is being offered at par bearing 4.375 per cent. The yield is the lowest so far for five-year paper in this market.

However, other issues were said to be selling slowly. In the secondary market, a 200-million DM, seven-year Mexican government issue was quoted at around 98 after being priced at par bearing a coupon of 6 per cent.

Market Turnover
Week ended April 7, 1978
(Millions of U.S. dollars)

	Total	Overseas	Non-dollar
Credit	1,128.2	650.6	477.6
Eurod.	2,390.9	1,913.6	477.3

Rumors Refuted
About Death of
Angolan Leader

LISBON, April 9 (AP)—Persistent rumors that Angolan President Agostinho Neto died after an operation in Moscow were denied yesterday by the Angolan government representative here.

Mr. Neto, 56, was said to have died after the failure of a major operation. Unofficial sources said that he was suffering from cancer.

Dr. Armando Pereira, the diplomatic representative of Angola's ruling Popular Movement for the Liberation of Angola, said in an official statement: "As is known, the President has gone to Moscow for a private visit and is not at this moment in hospital."

A Portuguese Embassy spokesman in Angola told the news agency ANOP that he had "no official knowledge" of Mr. Neto's death.

Moscow Aide in Peking

TOKYO, April 9 (AP)—I.T. Grishin, the leader of a Soviet government trade delegation, arrived in Peking today, the China news agency reported.

Brown Set to Leave
On European Visit

WASHINGTON, April 9 (AP)—Defense Secretary Harold Brown will leave Tuesday for official visits to Norway, West Germany and Britain and to attend the regular meeting of the NATO nuclear planning group in Denmark.

The Pentagon said that Mr. Brown will meet with senior ministers of the four countries, observe exercises and operations of U.S. and allied military forces and attend the planning group meeting April 18 and 19.

Bank Stock Quotations

(Closing Prices
of the week's trading.)

Bank	Price	Bank	Price
Bank of America	29 1/2	First Nat. City	29 1/2
Bank of Montreal	29 1/2	First Nat. City	29 1/2
Bank of New York	29 1/2	First Nat. City	29 1/2
Bank of Tokyo	29 1/2	First Nat. City	29 1/2
Bank of London	29 1/2	First Nat. City	29 1/2
Bank of Paris	29 1/2	First Nat. City	29 1/2
Bank of Spain	29 1/2	First Nat. City	29 1/2
Bank of Italy	29 1/2	First Nat. City	29 1/2
Bank of France	29 1/2	First Nat. City	29 1/2
Bank of Germany	29 1/2	First Nat. City	29 1/2
Bank of Netherlands	29 1/2	First Nat. City	29 1/2
Bank of Belgium	29 1/2	First Nat. City	29 1/2
Bank of Switzerland	29 1/2	First Nat. City	29 1/2
Bank of Austria	29 1/2	First Nat. City	29 1/2
Bank of Greece	29 1/2	First Nat. City	29 1/2
Bank of Portugal	29 1/2	First Nat. City	29 1/2
Bank of Ireland	29 1/2	First Nat. City	29 1/2
Bank of Scotland	29 1/2	First Nat. City	29 1/2
Bank of Wales	29 1/2	First Nat. City	29 1/2
Bank of Northern Ireland	29 1/2	First Nat. City	29 1/2
Bank of Jersey	29 1/2	First Nat. City	29 1/2
Bank of Guernsey	29 1/2	First Nat. City	29 1/2
Bank of Jersey	29 1/2	First Nat. City	29 1/2
Bank of Guernsey	29 1/2	First Nat. City	29 1/2

Currency Rates

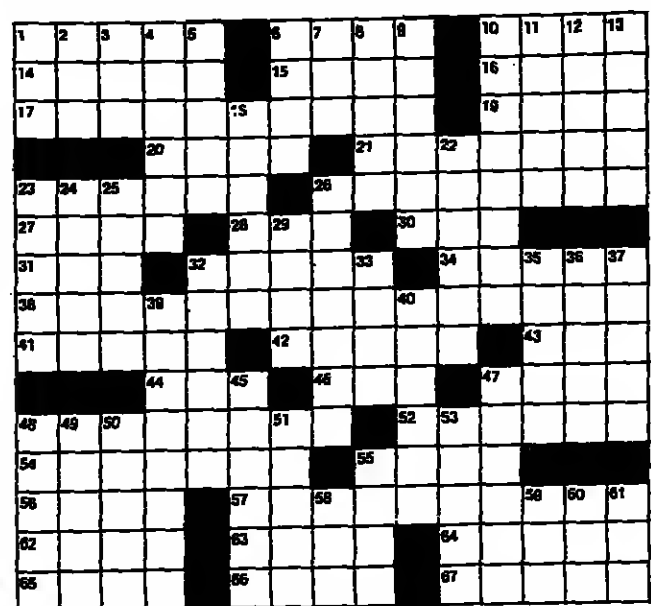
By reading across this table of Friday's closing inter bank foreign exchange rates, one can find the value of the major currencies in the national currencies of each of the following financial centers. These rates do not take into account bank service charges.

	\$	£	DM	FF	Lfr.	Chf.	Sfr	Scd.	DKr.
American	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
London	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Frankfurt	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Paris	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Geneva	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Basel	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Brussels	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Amsterdam	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Stockholm	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Copenhagen	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Oslo	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Norway	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Sweden	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Denmark	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Finland	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Iceland	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Ireland	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Portugal	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Greece	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Spain	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Italy	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
France	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Germany	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Netherlands	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Belgium	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Switzerland	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Austria	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Greece	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Spain	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Italy	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
France	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Germany	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Netherlands	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Belgium	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Switzerland	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359
Austria	1.0000	0.7186	0.4838	6.5596	133.33	0.7036	2.0048	136.76	4.8359

The following are Dollar values as quoted on the London foreign exchange market: Deutsche Mark, 1.56725; Swiss Franc, 1.56725; Italian Lira, 1.56725; Spanish Peseta, 1.56725; Greek Drachma, 1.56725; Portuguese Escudo, 1.56725; Japanese Yen, 1.56725; Indian Rupee, 1.56725; Pakistani Rupee, 1.56725; Bangladeshi Taka, 1.56725; Sri Lankan Rupee, 1.56725; Thai Baht, 1.56725; Malaysian Ringgit, 1.56725; Singapore Dollar, 1.56725; Hong Kong Dollar, 1.56725; New Zealand Dollar, 1.56725; Australian Dollar, 1.56725; Canadian Dollar, 1.56725; Mexican Peso, 1.56725; Central American Colon, 1.56725; Caribbean Dollar, 1.56725; South African Rand, 1.56725; Rhodesian Dollar, 1.56725; Botswana Pula, 1.56725; Lesotho Pula, 1.56725; Swaziland Lilangeni, 1.56725; Malagasy Ariary, 1.56725; Comorian Franc, 1.56725; Mauritian Rupee, 1.56725; Seychellois Rupee, 1.56725; Zambian Kwacha, 1.56725; Malawi Kwacha, 1.56725; Mozambique Escudo, 1.56725; Angolan Escudo, 1.56725; Namibian Dollar, 1.56725; Botswana Pula, 1.56725; 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CROSSWORD

By Eugene T. Maleska



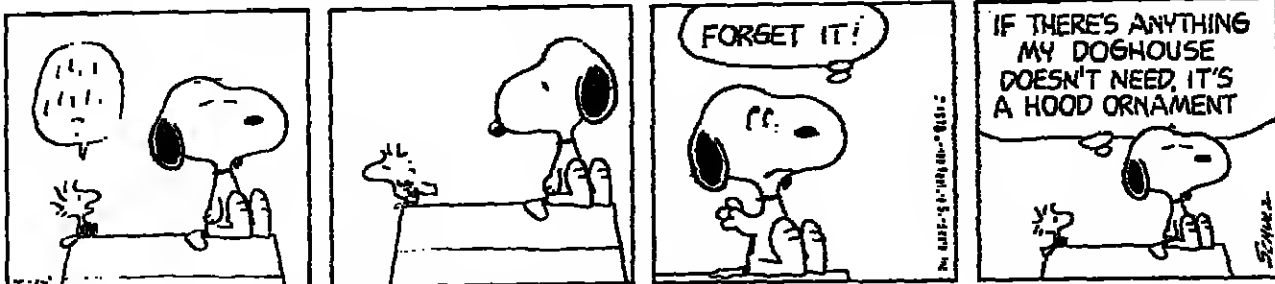
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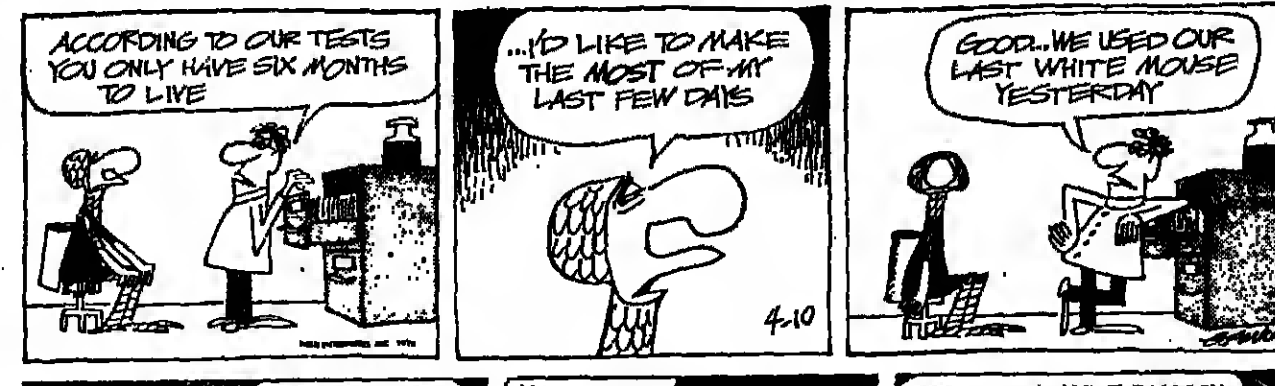
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JUMBLE

SCRAMBLED WORD GAME

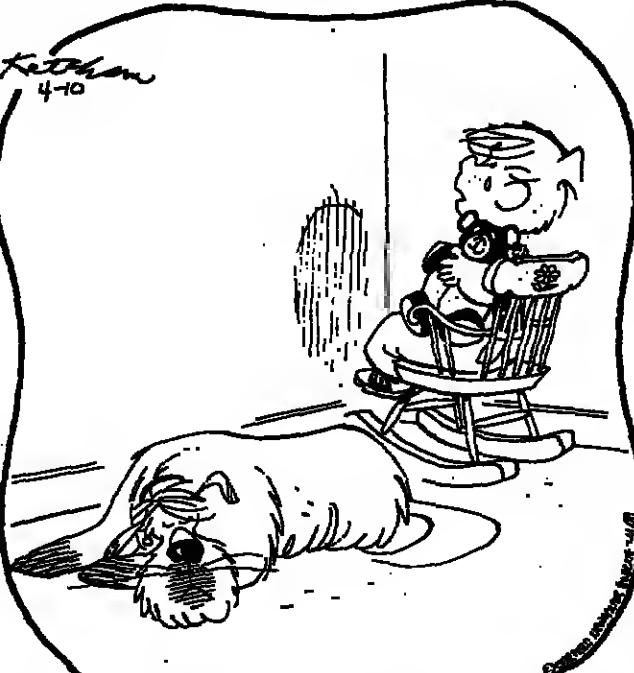


4-10

**THE FAT SINGER
TOOK UP MOST
OF THE COUCH.**

Now arrange the circled letters to form the surprise answer, as suggested by the illustration.

DENNIS THE MENACE



"TRY TELLIN' IT LIKE IT IS AROUND HERE ...JUS' TRY!"

BOOKS

FINAL PAYMENTS

By Mary Gordon. Random House. 297 pp. \$8.95.
Reviewed by John Leonard

ISABEL Moon on the death of her father, looks forward "to walking into the house for the first time" without him: "I thought I could trap myself into some kind of understanding which I could then have preserved, like a photograph at a surprise party that reveals the face of the intruder, as having been invaded, in the dark, by one's dearest friends."

It is as if Mary Gordon, in this fine first novel, wanted every page to be just such a photograph, a trap of understanding: The prose itself is poetry with flashbulbs. "Final Payments" to whom, for what, in which economy? What's the coming, the next, says the novel? The answer is "is" had instead of "was." Isabel, a miser and a spendthrift, does not think so.

If your father, a rightist teacher of medieval literature at a secondary Catholic college in Queens, tells you when you are 6 years old and about to take your First Communion that "I love you more than I love God" and "I love you more than God loves you," you are in trouble. The love is in form of rebellion, a kind of imperialism; we will never be powerful enough to return it. And, our father is our God.

Isabel's father — whose mind "had the brutality of a child's or an angel's," whose sympathies "were with the Royalists in the French Revolution, the South in the Civil War, the Russian czar, the Spanish Fascists," who believed "that truth and beauty could be achieved only by a process of chastening and consecration," who was disabled by a stroke when Isabel is 19. She gives up the next 11 years of her life to care for him, reading aloud and emptying the bedpans. She is regarded in the neighborhood as a saint. She is a masochist.

But she is a masochist with a fierce sense of humor. The most important of Mary Gordon's many accomplishments is the mind of Isabel: It is witty, vengeful, estranged, romantic, greedy, snobbish, deluded, brilliantly precise, without self-pity, a place for jokes and demons. Francis would have enjoyed with this mind, although medieval church is there, too. Freud and the church fathers could debate "the danger of pleasure"; "St. Francis threw himself into a bed of roses to avoid looking at a beautiful woman; St. Thomas More wore a hair shirt because he was too fond of his wife. They had known what pleasure could lead to; putting yourself in the center of the

universe, your own body blocking the vision of God like an eclipse, like the moon off its proper orbit."

It pleases Isabel seeks when her father finally dies: sex and a job and some place else to live outside a one-family house in Queens. She is abetted by her friends, the deacons and the priest, the practical old. She finds a job, interviewing old people in foster homes to find out whether they would be happier elsewhere: They are not as greedy as she is; nobody ever loved them enough, or too much. And she finds two men, both married, a brusish do-gooder and a sensitive veterinarian. And she is satisfied at the prospect of crisis to an idea, a type that is pathological. She would drown the individuality of love in a hideous abstraction.

"Final Payments" is too schematic. The men and the jobs come too easily to Isabel so that she may too conveniently contemplate sex and death. Nor is it necessary that Eleanor give up sex while it is allowed to be lesbian. And the agency of self-sacrifice Isabel selects — not to mention her rationalization for getting out of it — is improbable and arbitrary, as though the book got tired from thinking so hard.

But no more chastening and exclusion. For the most part, "Final Payments" is a splendid balancing act of the intellect and the emotions on a high-tension wire. Isabel must fall off into guilt, risk all for the purposes of church, Freud, her self and the narrative. After such a father, what forgiveness? What fathers. Love is choice; death is choice; the economic facts of life. With the exception of the veterinarian, Mary Gordon's characters are so strong and rounded that one flinches in their presence; even the old people are allowed to be various. She is as good on the Catholic Church versus women as Marjorie Warner; as good on class and style and modern attitudinizing as Mary McCarthy; and as good on friendship as Jane Austen. That should be enough.

There is, however, more than electric prose. On being a saint: "I could see the resentment in their eyes, resentment of the kill-joy who is perhaps finally the greatest bully." Or whether love is measured by sacrifice: "wrong . . . because the minute I gave up something for someone I liked they less."

On the Catholic's sense of being an outsider in the United States: "Lavinia said 'damned like a Protestant,' like an American."

CHESS

By Robert Byrne

Jan Timman, a 26-year-old Dutch grandmaster, drew a complaint to make about a victory over grandmaster Yuri Balashov of the Soviet Union in the sixth round of the Bugojno International Tournament: "It was clear that I had a slight advantage after the opening, but it wasn't clear how I could play to increase it. Maybe I expected too much too quickly."

Nevertheless, Timman's logical, patient play demonstrated the subtle deficiency of the attacking system Balashov used against the Defense. And the victory must have been doubly sweet because it constituted revenge for his loss to Balashov in their previous game with the same variation.

The move under scrutiny was Balashov's 6 B-K3. Timman had replied with 6... P-N3? in Tilburg 1977, allowing Balashov a superiority in space with 7 P-K5!; !N-N5; 8 P-Q4; 9 P-K3; 10 N-K3; 10 P-Q5; 10 N-B4; 11 B-B3. But this time Timman reverted to 6... P-B4!, proving it to be the correct counter in the center and strong enough to cast doubt on the playability of 6 B-K3.

Balashov could not play 7 P-Q5 because of 7... P-QN4!; 8 BxN; 9 NxN; Q-R4-Q8, recovering the piece with a fine game. But even more preferable 7 P-K3; 8 B-Q3 achieved nothing after 8... N-N5; 9 B-Q2; QxRBP.

It was no triumph for Balashov to acquire the bishop pair by 12 P-R3; BxN; 13 QxR, for after 13... N-B3, the ungarded Q5 square offered a strong outpost for the black QN.

The real value of Timman's defense showed up after his 22... P-B3. Balashov's knight stood purely defensive, as did his K2. White's attacking chances on the kingside were worse than problematic; it was a nuisance to tie up the white QR in defense of the white QNP, but such a move as P-Q4 could have been answered by infiltrating with Q-N4 and R-R5; in the long run, Black would have threatened to penetrate with the rook on the open Q file.

Accordingly it is not surprising that Balashov had little confidence in passive defense by 23 K-R1, yet the outlook for his obtaining a decisive win was bleak.

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Position After 22... P-B3

the black king with 23 P-KR4 was hardly rosy.

Accepting a pawn by 30 QxP would have yielded Timman a ready-made attack with 30... R-N2; 31 Q-R5; R-B7. Before picking up the loose pawns on the queenside, Timman took the precaution of playing without having to worry about a possible Q-Q8ch.

Although Black was thus proceeding carefully and painstakingly, Balashov could neither obtain any real attack nor guard his weaknesses. The first booty fell to Timman's 34... QxNP and another pawn came tumbling after 35... QxP.

Balashov resigned on 44... R-QB1, since exchanging rooks would have allowed Timman to advance his passed QP, while a lateral rook move would have given ground to 44... R-B7.

Timman rightly considered this one of his best performances of the tournament.

FIVE OFFENSE			
White Balashov	Black Timman	White Balashov	Black Timman
1 P-K4	N-K3	23 R-R5	N-B3
2 P-Q4	P-K3	24 R-R5	N-B3
3 P-K3	P-K3	25 P-K4	N-B3
4 P-K3	P-K3	26 P-K4	N-B3
5 P-K3	P-K3	27 P-K4	N-B3
6 B-K3	P-K3	28 P-K4	N-B3
7 P-K3	P-K3	29 P-K4	N-B3
8 P-K3	P-K3	30 QxP	N-B3
9 P-K3	P-K3	31 P-N3	N-B3
10 P-K3	P-K3	32 P-K4	N-B3
11 P-K3	P-K3	33 P-K4	N-B3
12 P-R3	BxN	34 QxNP	N-B3
13 QxR	N-B3	35 QxP	N-B3
14 B-K3	Q-N4	36 P-K4	N-B3
15 Q-Q4	Q-N4	37 R-K3	N-B3
16 P-K3	Q-N4	38 P-K4	N-B3
17 P-K3	N-B4	39 Q-K3	N-B3
18 P-K3	P-K3	40 P-K4	N-B3
19 P-K3	P-K3	41 P-K4	N-B3
20 N-K2	K-R1	42 P-K4	N-B3
21 P-K3	P-K3	43 P-K4	N-B3
22 P-K3	P-K3	44 R-R5	N-B3

THIRMAN/BLACK

Position After 22 . . . P-B4

the black king with 23-RK44, hardly rosy.

Accepting a pawn by 30-Q44 would have yielded Timman ready-made attack with 30-N2; 31-Q-R5, R-B7. Before proceeding up the loose pawns on the queen side, Timman took the precaution of playing without having to worry about a possible Q-Q8ch.

Although Black was thus proceeding carefully and painstakingly, Balashov could neither obtain any real attack nor guard weaknesses. The first booty fell to Timman's 34... Q-NP4 and another pawn came tumbling after 38-QXP.

Balashov resigned on 44... Q-B1, since exchanging rooks would have allowed Timman to take away his passed P-Q7, while a central rook move could have given ground to 45... R-B7.

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White	Black	White	Black
Rainbow	Timman	Rainbow	Timman
1 P-R4	P-Q3	24 B-R2	P-N3
2 P-Q3	P-N3	25 P-Q3	P-N3
3 P-Q3	P-N3	26 P-Q3	P-N3
4 P-R4	P-N3	27 P-Q3	P-N3
5 P-Q3	P-Q3	28 Q-N5	P-N3
6 P-Q3	P-Q3	29 P-Q3	P-N3
7 P-Q3	P-Q3	30 P-Q3	P-N3
8 P-Q3	P-N3	31 P-Q3	P-N3
9 P-Q3	P-Q3	32 P-Q3	P-N3
10 P-Q3	P-Q3	33 P-Q3	P-N3
11 P-Q3	P-N3	34 P-Q3	P-N3
12 P-Q3	P-N3	35 P-Q3	P-N3
13 P-Q3	P-N3	36 P-Q3	P-N3
14 P-Q3	P-N3	37 P-Q3	P-N3
15 P-Q3	P-N3	38 P-Q3	P-N3
16 P-Q3	P-N3	39 P-Q3	P-N3
17 P-Q3	P-N3	40 P-Q3	P-N3
18 P-Q3	P-N3	41 P-Q3	P-N3
19 P-Q3	P-N3	42 P-Q3	P-N3
20 P-Q3	P-N3	43 P-Q3	P-N3
21 P-Q3	P-N3	44 P-Q3	P-N3
22 P-Q3	P-N3	45 P-Q3	P-N3

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4-10

ACCORDING TO OUR TESTS
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JOE RIMFIRE
READIES HIS
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THAT SCRAMBLED WORD GAME
by Henri Arnold and Bob Lee

Unscramble these four Jumbles,
one letter to each square, to form
four ordinary words.

NEVET

ANGLD

GRATTE

NAITOR

THE FAT SINGER
TOOK UP MOST
OF THE COUGH.

Now arrange the circled letters to
form the surprise answer, as sug-
gested by the above cartoon.

Print answer here:

(Answers tomorrow)

Saturday's Jumbles: PERKY ABHOR COWARD BODILY
Answer: Sounds like the ghoul's favorite drink -- "BIE"!

"Registered as a newspaper at the Post Office"

I LIKE TO MAKE MOST OF MY FEW DAYS
 GOOD...WE USED OUR LAST WHITE MOUSE YESTERDAY
 IT'S LATE, BETSY! WHY DO YOU THINK IT'S SO IMPORTANT THAT WE TALK TO BILLY TONIGHT?
 I DON'T KNOW! MAYBE I'M JUST BEING SILLY!
 NOW, IF YOU HAVE REASON TO BELIEVE THAT THIS WON'T WAIT UNTIL TOMORROW, WE'LL SEE HIM RIGHT NOW!
 NO... TOMORROW'S FINE!
 WHAT'S THAT, MA... RIP...
 I COULDN'T KEEP THEM LONGER, RIP.
 YOU DID GREAT, MA. I TRAP THE CALL AND HERE'S THE LOCATION IT CAME FROM.
 JUST A... THEY HUNG UP!
 TELL POLICE ... I'M GOING OUT THERE.
 TRY TELLIN' IT LIKE IT IS AROUND HERE ...

KATHAN
 4-10

too fond of his wife. They had known what pleasure could lead to: putting yourself in the center of the

being an outsider in the United States: "Lavinia said 'damned' like a Protestant, like an American. On beer: "...a perfect drink for John Ryan. Its gold was a male color; no woman's hair ever shone like that. And its structure was right for men, too: clouded on top, firm, clear to the bottom. For women, it would have to be the opposite arrangement." On sexual technique: "He handled my breast as if he were making a meatball." On the shoes of priests: "edible-looking." A first-class writer declares herself with knowing art.

John Leonard is on the staff of The New York Times.

CHess

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Nevertheless, Timman's logical, patient play demonstrated the subtle deficiency of the attacking system Balashov used against the Pirc Defense. And the victory must have been doubly sweet because it constituted revenge for his loss to Balashov in their previous game with the same variation.

The move under scrutiny was Balashov's 6 B-K3. Timman had replied with 6... P-N3? in Tilburg 1977, allowing Balashov a superiority in space with 7 P-K3!! N-N5; 8 B-N1, P-QN4; 9 P-Q4; 10 P-Q5; 10 P-Q5, N-B4; 11 B-B2. But this time Timman reverted to 6... P-B4!, proving it to be the correct counter in the center and strong enough to cast doubt on the playability of 6 B-K3.

Balashov could not play 7 P-Q5 because of 7... P-QN4!; 8 BxN; NxKP; 9 NxN, Q-R4c, recovering the piece with 8 f3, a fine game. But even the preferable 7 P-Q5, Q-R4; 8 B-Q3 achieved nothing after 8... N-N5; 9 B-Q2, OxBP.

It was on triumph for Balashov to acquire the bishop pair by 12 P-R3, BxN; 13 QxR, for after 13... N-B3, the unguarded Q5 square offered a strong outpost for the black QN.

The real value of Timman's defense showed up after his 22... P-B4. Balashov's eighth move was a purely defensive ploy at K2. White's attacking chances on the kingside were worse than problematic; it was a nuisance to do up the white QR in defense of the white QNP, but such a move as P-QN4 could have been answered by infiltrating with... Q-N4 and... Q-R5; in the long run, Black would have threatened to penetrate with the rook on the open Q-N file.

Accordingly it is not surprising that Balashov had little confidence in passive defense by 23 KR-B1, yet the outlook for his obtaining a decisive superiority was

Position After 22... P-B4

the black king with 23 P-KR4 was hardly risky.

Accepting a pawn by 30 QxP would have yielded Timman a ready-made attack with 30... R-N2; 31 Q-R5, R-B7. Before picking up the loose pawns on the queenside, Timman took the precaution of playing without having to worry about a possible Q-Q8c.

Although Black was thus proceeding carefully and painstakingly, Balashov could neither obtain any real attack nor guard his weaknesses. The first booty fell to Timman's 34... QxNP and another pawn came tumbling after 35... QxQP.

Balashov resigned on 44... R-QB1, since exchanging rooks would have allowed Timman to advance his passed QP, while a lateral rook move would have given ground to 45... R-B7.

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PIRC OFFENSE			
White	Black	White	Black
1 Balashov	Timman	24 R3	R3
1 P-B4	P-Q3	25 P-R5	P-R5
2 P-Q4	N-K3	26 P-R5	P-R5
3 N-Q3	P-R3	27 P-P	P-P
4 P-B3	O-O	28 Q-N5	Q-N5
5 N-B3	P-B4	29 N-B3	N-B3
6 P-P	Q-R4	30 N-B3	N-B3
7 B-Q2	Q-B3	31 N-B3	N-B3
8 Q-R5	N-K3	32 N-B3	N-B3
9 P-Q2	P-N3	33 P-N3	P-N3
10 P-Q2	B-N	34 Q-N3	Q-N3
11 P-Q2	B-N	35 R-N3	R-N3
12 P-Q2	B-N	36 R-N3	R-N3
13 P-Q2	B-N	37 R-N3	R-N3
14 P-Q2	Q-Q4	38 R-N3	R-N3
15 P-Q2	Q-Q4	39 R-N3	R-N3
16 P-Q2	Q-Q4	40 R-N3	R-N3
17 P-Q2	Q-Q4	41 R-N3	R-N3
18 P-Q2	Q-Q4	42 R-N3	R-N3
19 P-Q2	N-B4	43 R-N3	R-N3
20 N-K2	Q-K1	44 R-N3	R-N3
21 B-R1	P-B4	45 R-N3	R-N3
22 Q-Q2	P-B4	46 R-N3	R-N3
23 KR-B1	P-B4	47 R-N3	R-N3
24 P-B4	P-B4	48 R-N3	R-N3
25 P-B4	P-B4	49 R-N3	R-N3
26 P-B4	P-B4	50 R-N3	R-N3
27 P-B4	P-B4	51 R-N3	R-N3
28 P-B4	P-B4	52 R-N3	R-N3
29 P-B4	P-B4	53 R-N3	R-N3
30 P-B4	P-B4	54 R-N3	R-N3
31 P-B4	P-B4	55 R-N3	R-N3
32 P-B4	P-B4	56 R-N3	R-N3
33 P-B4	P-B4	57 R-N3	R-N3
34 P-B4	P-B4	58 R-N3	R-N3
35 P-B4	P-B4	59 R-N3	R-N3
36 P-B4	P-B4	60 R-N3	R-N3
37 P-B4	P-B4	61 R-N3	R-N3
38 P-B4	P-B4	62 R-N3	R-N3
39 P-B4	P-B4	63 R-N3	R-N3
40 P-B4	P-B4	64 R-N3	R-N3
41 P-B4	P-B4	65 R-N3	R-N3
42 P-B4	P-B4	66 R-N3	R-N3
43 P-B4	P-B4	67 R-N3	R-N3
44 P-B4	P-B4	68 R-N3	R-N3
45 P-B4	P-B4	69 R-N3	R-N3
46 P-B4	P-B4	70 R-N3	R-N3
47 P-B4	P-B4	71 R-N3	R-N3
48 P-B4	P-B4	72 R-N3	R-N3
49 P-B4	P-B4	73 R-N3	R-N3
50 P-B4	P-B4	74 R-N3	R-N3
51 P-B4	P-B4	75 R-N3	R-N3
52 P-B4	P-B4	76 R-N3	R-N3
53 P-B4	P-B4	77 R-N3	R-N3
54 P-B4	P-B4	78 R-N3	R-N3
55 P-B4	P-B4	79 R-N3	R-N3
56 P-B4	P-B4	80 R-N3	R-N3
57 P-B4	P-B4	81 R-N3	R-N3
58 P-B4	P-B4	82 R-N3	R-N3
59 P-B4	P-B4	83 R-N3	R-N3
60 P-B4	P-B4	84 R-N3	R-N3
61 P-B4	P-B4	85 R-N3	R-N3
62 P-B4	P-B4	86 R-N3	R-N3
63 P-B4	P-B4	87 R-N3	R-N3
64 P-B4	P-B4	88 R-N3	R-N3
65 P-B4	P-B4	89 R-N3	R-N3
66 P-B4	P-B4	90 R-N3	R-N3
67 P-B4	P-B4	91 R-N3	R-N3
68 P-B4	P-B4	92 R-N3	R-N3
69 P-B4	P-B4	93 R-N3	R-N3
70 P-B4	P-B4	94 R-N3	R-N3
71 P-B4	P-B4	95 R-N3	R-N3
72 P-B4	P-B4	96 R-N3	R-N3
73 P-B4	P-B4	97 R-N3	R-N3
74 P-B4	P-B4	98 R-N3	R-N3
75 P-B4	P-B4	99 R-N3	R-N3
76 P-B4	P-B4	100 R-N3	R-N3

Zisk Connects Off Gossage

Ranger Homer in Ninth Beats the Yankees, 2-1

Court Upholds Kuhn in Suit On A's Sales

CHICAGO, April 9 (UPI)—A federal court of appeals has upheld baseball commissioner Bowie Kuhn's 1976 action to block the \$3.5-million sale of the contract rights for three Oakland Athletics players.

The three-judge panel said Kuhn "acted in good faith" in a manner which he determined to be in the best interests of baseball.

The court also upheld earlier rulings that stop clubs from using court actions to block the commissioner's rulings.

The appeals court ruling, issued Friday, stemmed from a June 25, 1976, suit filed by the Oakland A's owner, Charles Finley, that questioned whether Kuhn had a right to intervene in the trade.

A week before that suit was filed, Kuhn blocked the sale of Joe Rudi and Rollie Fingers for \$3 million to the Boston Red Sox and Vida Blue for \$1.5 million to the New York Yankees.

Kuhn said he disapproved of the assignments of these contracts because such moves were "inconsistent with the best interests of baseball, the integrity of the game and the maintenance of public confidence in it."

The appeals court said any appeal taking part in the major-league agreement—which comprises all the clubs—was put on-appeal notice that the action taken by the commissioner was not possible but probable.

At Chicago, Gene Lerner's two-run homer in the eighth inning helped the Red Sox beat the Yankees 2-1.

Lerner's homer came off Yankees pitcher Tom Seaver, who pitched six innings and struck out four.

The Yankees' only run came in the seventh inning on a single by Reggie Jackson.

The game was tied 1-1 in the sixth inning when Yankees pitcher Tom Seaver hit a double.

The Yankees' lead in the seventh inning was erased by a double by Lerner.

The Yankees' lead in the eighth inning was erased by a double by Lerner.

The Yankees' lead in the ninth inning was erased by a double by Lerner.

The Yankees' lead in the tenth inning was erased by a double by Lerner.

The Yankees' lead in the eleventh inning was erased by a double by Lerner.

The Yankees' lead in the twelfth inning was erased by a double by Lerner.

The Yankees' lead in the thirteenth inning was erased by a double by Lerner.

The Yankees' lead in the fourteenth inning was erased by a double by Lerner.

The Yankees' lead in the fifteenth inning was erased by a double by Lerner.

The Yankees' lead in the sixteenth inning was erased by a double by Lerner.

The Yankees' lead in the seventeenth inning was erased by a double by Lerner.

The Yankees' lead in the eighteenth inning was erased by a double by Lerner.

The Yankees' lead in the nineteenth inning was erased by a double by Lerner.

The Yankees' lead in the twentieth inning was erased by a double by Lerner.

The Yankees' lead in the twenty-first inning was erased by a double by Lerner.

The Yankees' lead in the twenty-second inning was erased by a double by Lerner.

The Yankees' lead in the twenty-third inning was erased by a double by Lerner.

The Yankees' lead in the twenty-fourth inning was erased by a double by Lerner.

The Yankees' lead in the twenty-fifth inning was erased by a double by Lerner.

The Yankees' lead in the twenty-sixth inning was erased by a double by Lerner.

The Yankees' lead in the twenty-seventh inning was erased by a double by Lerner.

The Yankees' lead in the twenty-eighth inning was erased by a double by Lerner.

The Yankees' lead in the twenty-ninth inning was erased by a double by Lerner.

The Yankees' lead in the thirtieth inning was erased by a double by Lerner.

The Yankees' lead in the thirty-first inning was erased by a double by Lerner.

PITTSBURGH, April 9 (AP)—Bruce Sutter gave up a bases-loaded walk to Jim Fregosi in the last of the 10th inning to give the Pittsburgh Pirates a 4-3 victory over the Chicago Cubs yesterday.

The Pirates had a 3-0 lead into the eighth but four hits, including RBI singles by Bill Buckner and Bobby Murcer, and two walks tied the score.

In the 10th, Steve Brye led off with a double to left. Willie Stargell was walked intentionally and after Rennie Stennett flied out, Sutter walked Ed Ott to fill the bases before issuing the walk to Fregosi that forced in Brye.

The Pirates had scored in the third on Dave Parker's home run to right and added two runs in the seventh with the help of an error. Fernando Gonzalez walked with one out and when pitcher Bert Blyleven put down a bunt, first baseman Buckner threw the ball into center field in attempting to catch Gonzalez at second. The ball rolled to the wall and both runners scored.

Dodgers 6, Braves 2

At Atlanta, Los Angeles triumphed, 6-2, as Tommy John, a 20-game winner for the defending National League champions, went 7 2/3 innings, striking out four batters.

Mets 6, Expos 5

At New York, Ed Kranepool hit a two-run, two-out pinch homer in the bottom of the ninth inning, giving New York a 6-5 comeback victory over Montreal. The Mets were trailing, 5-2, when Lee Mazzilli's two-run homer in the eighth put them within a run. When Bruce Boiesclair opened the ninth with a walk against Expo starter Rudy May, Len Standish sacrificed the runner to second. Stan Bahnsen relieved May and retired Tim Foli on a long fly to left. Kranepool batted for winning pitcher Maudie Carmichael and scored on a single.

Giants 6, Padres 0

At San Francisco, Jim Barr pitched a seven-hitter and Rob Andrews supplied a three-run triple to lead San Francisco to a 6-0 victory over San Diego. Andrews drove in the game's first three runs with his triple in the second off Bob Shirley. Jack Clark followed with a single, scoring Andrews. Barr did not walk a batter, struck out one and did not allow a runner past second base.

Phillies 7, Cardinals 0

At Philadelphia, right-hander Larry Christenson pitched an eight-hitter and drove in four runs, two with a homer, as Philadelphia beat St. Louis, 7-0. Christenson, who won his last seven games of the 1977 season, and 15 of his last 16 en route to a 19-4 record, struck out four and walked one in recording the Phillies' first victory of the season.

Reds 2, Astros 1

At Cincinnati, Fred Norman held Houston to three hits until the ninth inning and Cesar Geronimo tripled home the winning run in the second to give unbeaten Cincinnati a 2-1 victory over Houston.

Mets 3, Expos 1

At New York, Jerry Koosman won his first game since July 19 and started a season opener for the first time in his 11-year career as he scattered eight hits in pitching a complete game for New York. Koosman, a 20-game loser last season, was tagged for six hits in the first three innings but struck out four during that stretch to get out of trouble.

Padres 3, Giants 2

At San Francisco, Mike Champion drew a bases-loaded walk in the eighth to send in the go-ahead run in San Diego's season-opening victory. Dave Winfield had led off with a homer to tie the score as Gaylord Perry, winner Mickey Lolich and Rollie Fingers combined for a five-hitter.

Reds 5, Astros 4

At Houston, George Foster hit a three-run homer in the top of the



Some golfers are more expressive than others, especially in a high-tension tournament like the Masters. Here Jack Nicklaus lets the world know how he felt about missing a birdie putt.

Friday: Dodgers Open By Crushing Braves, 13-4

ATLANTA, April 9 (UPI)—The Los Angeles Dodgers opened the 1978 season the same way they won the National League pennant last season—combining a powerful offensive attack with solid pitching. And the Atlanta Braves, whose weak pitching last season put them in the cellar, were also back on the same track.

Davey Lopes and Rick Monday each hit three-run homers to lead the Dodgers and pitching ace Don Sutton to a come-from-behind 13-4 triumph on Friday.

An opening-day crowd of 42,866 saw the Braves take a 3-0 lead on a home run by Rowland Office in the first inning and a two-run homer by Dale Murphy in the second. After the Dodgers tied the game, Jerry Rosteyer sent the Braves back into the lead with a homer in the bottom of the third.

The Dodgers went ahead to stay in the fifth on Steve Yeager's single, a walk, and Reggie Smith's two-run single. The Dodgers added three more runs in the sixth and knocked out Braves' knuckleballer Phil Niekro with two more in the eighth, and concluded their outburst with Monday's blast in the ninth.

Sutton, 1-0, hurled the first seven innings, giving up all four Atlanta runs on seven hits, before being relieved by lefty Terry Forster, whom Los Angeles signed as a free agent during the offseason.

Firearms 1, Cubs 0

At Pittsburgh, despite chronic back pain, John Candelaria went the distance, scattering seven hits and walking one in leading Pittsburgh to a 1-0 victory over Chicago and its ace, Rick Reuschel. Candelaria's 6-foot-7 left-hander, led the National League last season with a 2.34 ERA in posting a 20-5 season.

Reuschel pitched well, too, yielding only three hits and three walks over seven innings, but allowed Frank Taveras to score the winning run on a force out.

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At Houston, George Foster hit a three-run homer in the top of the

After Third Round

Green Leading By 3 in Masters

By John S. Radosta

AUGUSTA, Ga., April 9 (UPI)—On a warm, windless day when low scores were standard operating procedure, Hubert Green shot a sizzling 65 yesterday to take a three-stroke lead in the third round of the 42nd Masters Tournament.

That score, just one shot off the 18-hole record for the Augusta National Golf Club, gave him a healthy 10 under par for 54 holes.

It is not customary in professional golf to concede even obvious tap-in putts, but some of the best pros in the business found themselves later conceding a tournament to Green, the 1977 U.S. Open champion and winner of two PGA Tour events earlier this season, who is at the top of his form.

As Green gained the 3-shot lead, Tom Watson, who is tied for second with Rod Funseth at 209, expressed the consensus:

"Hubert is playing the kind of golf you need here to win. He's going to be tough to catch. He's not going to let down. You have to go out and beat him. That's what makes him such a good player."

One Slowdown Needed

Gene Littler, holding fourth place at 210, suggested, "If we can get one guy to slow down a little bit, we might have a tournament."

Watson, last year's winner, was paired yesterday afternoon with the acquiescent Green. He repeated, "Hubert was very quiet, very serious. He wants to win the Masters."

Watson bungled in quite tough himself, rallying from a dismal start of three bogeys in four holes to fire a

snappy 68 — 209. Funseth shot 70 — 209.

Littler, who placed second here in 1970, shot 70 for a 54-hole aggregate of 210, six under par.

And what of Jack Nicklaus, who was the heavy favorite on opening day? For the third consecutive day he had a hard time with his putting, but he managed to score a three-under-par 69. That left him at 214, two under par and eight shots behind the leader.

Lee Trevino, co-leader with Funseth at the end of the first 36 holes, blew his chances with a triple-bogey 7 on No. 3, a relatively innocuous hole that seldom hurts anybody. Even after that mischance, Trevino managed a 70, but he is five shots behind the leader at 211. There he is tied with Hale Irwin, David Graham and Bill Kratzert.

Green's style, with almost no backswing, is one of the worst-looking in professional golf. He once said that given a choice between making a living or developing a pretty swing, he chose the former. Yesterday he was asked if he would ever teach his style to other golfers. "I wouldn't have any pupils," he replied.

But Bea Crenshaw communicates with himself after finding his ball in a ditch. He took a free drop and scored a double bogey on the hole.



But Bea Crenshaw communicates with himself after finding his ball in a ditch. He took a free drop and scored a double bogey on the hole.

Connors Beats Ramirez In Final at Rotterdam

ROTTERDAM, April 9 (UPI)—Jimmy Connors, telling the crowd it had seen the best tennis he could produce, beat Raul Ramirez, 7-5, 7-5, today to win the World Championship Tennis tournament here, a twice throwing away 4-0 leads.

It was the top-seeded Connors's fifth title of the year but only his first victory in this tournament.

The match was closely fought even though Connors looked ready for a walkover when he took an easy 4-0 lead. But Ramirez adjusted himself to the pace and won the next five games before Connors held his serve with an ace to level, 5-5.

In the next game Ramirez double faulted to lose his serve and Connors served out for the first set, forcing a forehand error on his only set point.

Ramirez took time to recover from Connors's attack and uncharacteristically dropped his opening second-set game. Then he had ome break points against Connors's serve in the second game but couldn't win any of them.

Connors increased his lead to 4-0

but lost his serve in the sixth game and again in the tenth when serving for the match. He then gained a match point with a topspin lob but missed a forehand in the next rally before Ramirez broke back to square the set at 5-5.

Once again, Connors raised his attack and ran through the next two games to clinch the title.

"You saw the best tennis I could produce," said Connors, who now stands fifth in the WCT points table but is not entered for the last two qualifying tournaments for the eight-man finals in Dallas.

U.S., Russians Meet for Title In Basketball

CHAPEL HILL, N.C., April 9 (UPI)—Jack Givens and James Lee sparked the United States in the final three minutes to an 88-83 victory over the Yugoslav national basketball team Friday night.

In an earlier game, the Soviet national team defeated Cuba, 108-78, behind Alexander Salmikov with 21 second-half points and Michael Korbi and Sergei Belov, who combined for 25 in the first half. The Soviet team met the Americans tonight for the championship of the four-country tournament.

With the United States facing a 76-77 deficit with 3:39 remaining, Givens scored two baskets and handed out two assists. Lee also scored crucial baskets and blocked two shots. The game was close throughout, with 13 lead changes and 17 ties. Except for an early nine-point lead by Yugoslavia, the largest margin either team could muster was five points.

Pacing Yugoslavia, which connected on 54 percent of its shots for the game and added 29 of 35 free throws, was Dragan Kicanovic with 22 points. Radoje Delicic added 19, Drazen Dalipagic 18, and Kreimir Cosic, who played college basketball at Brigham Young, 16.

NHL Standings

W L T Pts GF GA

NORTH DIVISION

Montreal 11 11 17 39 179

Los Angeles 11 11 17 39 179

Pittsburgh 11 11 17 39 179

Washington 11 11 17 39 179

Atlanta 11 11 17 39 179

Buffalo 11 11 17 39 179

Toronto 11 11 17 39 179

Cleveland 11 11 17 39 179

Vancouver 11 11 17 39 179

New York Rangers 11 11 17 39 179

St. Louis 11 11 17 39 179

Minnesota 11 11 17 39 179

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Observer

Saturday Program

By Russell Baker

NEW YORK—Things to do on Saturday in New York:

1. Put on five suits of clothes and walk cross-town, talking out loud to yourself in Esperanto.
2. Put on a pair of brushed-suede trousers and get a \$35 haircut.
3. Burn down a building in the Bronx.



Baker

4. Get together with two women on 12th Street and argue about who has the best Cuisinart.
5. Get rained on for 20 minutes while waiting for a bus on York Avenue.
6. Diet until you look like you're made of sticks. Then put on an elegant fur coat and find a girl in an elegant fur coat who also looks like she is made of sticks. Go together to a pet shop and buy a dog that looks like it is made of sticks and then all three of you take a walk in the East 60s.

7. Wait for the telephone to ring and then don't answer it. Afterward, hide under the bed until your neighborhood burglar arrives for your television set. Introduce yourself.
8. Buy some antiques and frozen bagels.
9. Argue with your wife, husband or lover about whose turn it is to go outside to find out whether the sun is shining.

10. Get together with several people from the upper West Side and display the keenness of your sensibility by deploring the banality of Italian opera, contemporary architecture and The New York Review of Books.
11. Get stuck for two hours in an elevator with somebody holding advanced views on calendar reform.

12. Tell several acquaintances and ask if they have heard of any interesting new liberation movements worth joining. If they haven't, ask if they have heard of any interesting new opinions worth declaring truculently to live up dull parties.
13. Go to Ninth Avenue and look at the groceries. Go to Eighth Avenue and look at the pimps. Go to Seventh Avenue and smell the grease. Go to Sixth Avenue and cringe under the architecture.
14. Think of the futility of life. Then ponder the certainty of doom. Reflect at length on the fact that

nothing good has ever happened to you and that nothing ever will. Think on the certainty of rising taxes, deteriorating arteries, dandruff or disappointment in love. Then take a ride on the subway.

15. Meet with some really decent people in Central Park and have a really serious talk about ecology, good writing and social justice.
16. Get into your own head, or into art or leather.
17. Buy the loudest transistor radio in midtown, tune in a rock station, turn it to maximum volume and carry it around the streets so everybody can admire your taste in music.

18. Discover an incredibly fantastic new restaurant in the Village that nobody has ever heard of and which would be ruined if everybody did. Then telephone several people and feel superior by not telling them about it.
19. Write a letter to the editor denouncing Senator Proxmire, deploring the middle class's persecution by the poor, or demanding to know why the editor permits so much unmitigated trash to be published in his newspaper.
20. Get a job in a sooty delicatessen or a smooty Italian boutique on Fifth Avenue and assure customers that you do not regard them as people of sufficient quality to deserve your lox or Florentine toothpicks.

21. Stand in a Third Avenue movie line for an hour and have a really deep talk about cinema and existentialism while eating a pretzel.
22. Buy a house on Sutton Place and lie in bed until 3 p.m. thinking how rich you are, yet unloved for all your wealth. Telephone an old school friend out in Brooklyn and tell him how you have envied his poverty since discovering that money can't buy happiness. Afterward, book a Concorde flight to Paris for Sunday brunch.

23. Have a friend over for lunch and make her respect you by explaining the correlation between the Manichean heresy and hot past-tami.
24. Walk around the East Side until you see Jackie Onassis, Greta Garbo and Woody Allen or develop blisters. If unsuccessful on all four counts, buy some blisters on Madison Avenue so you will have something to talk about Saturday night.

Job-Hunting Hints for a Restless Breed

By Barbara J. Katz

WASHINGTON (WP)—Americans may be the job-huntingest people around. A restless breed, many change jobs, or try to, about as often as they change cars—as if the perfect career-gadget-mate were just out of reach.

The average worker under 35 goes on a job hunt once every year and a half, new study shows. For the worker over 35, it's once every three years. And experts estimate that the average worker today will change careers—not just jobs—three to five times in his or her lifetime.

But the way they go about it is totally, utterly wrong, if you ask Richard Bolles.

Bolles, a jovial California cleric who confesses to being a "confirmed leishurelic," is the author of a top-selling book on career planning called "What Color Is Your Parachute?" The book, subtitled "A Practical Manual for Job-Hunters & Career Changers," has made him something of a guru among people trying to change their jobs and their lives.

File of Money

Since it was published in 1972 by Ten Speed Press, a small Berkeley company whose biggest success until then had been a book on bicycling, it has sold 650,000 copies, made Bolles a pile of money, and been acclaimed in such esoteric publications as *Business Week* and the *Harvard Business Review*.

Bolles, who is now being called on to conduct workshops and deliver speeches all over the United States, believes that the traditional ways people are told to find jobs, and the assumptions they carry into the job hunt with them, either don't produce jobs or lead people to jobs they're unhappy with.

"If people are having trouble with the job hunt, it's not them," he says, "it's the Neanderthal system of job-hunting we have in this country."

Bolles thinks there's a better way. And he has set out to convince people of that.

Bolles operates from Walnut Creek, Calif., where he runs a career development project for the United Ministries in Higher Education, a coalition of nine major Protestant denomina-



Richard Bolles

tions offering services on college campuses around the United States.

Whatever missionary zeal Bolles had in his first career as an Episcopalian parish minister seems to have carried over to his second. "Life-work planning takes seriously the brevity of this life we have," he says.

One of his main goals, according to Bolles, is to get people to try to blend achievement, play and learning in their work—"the idea that you should enjoy your job and learn on the job," not just perform the work.

Are you a government planner who hates his job but loves camping? Maybe you have the skills to convince a camping-equipment manufacturer to hire you. Are you a corporation lawyer who sneaks away from the office to spend your days in art galleries? Maybe you should

find a job in the art world that uses your abilities.

Normally, though, Bolles says, people start out with some idea of the field they want to go into. Somewhere down the line they find out how their skills mesh—or don't mesh—with a particular job.

What he thinks they should do, whether entering the job market or switching jobs, is to figure out beforehand what their skills really are by "atomizing" their previous achievements into component parts. (If you've ever been a salesman, for example, you're probably good at dealing with people and working with figures.) They should then decide what they want to do based on the skills they enjoy using, and finally focus on what specific jobs will enable them to do what they want.

"A crucial point, a devastating point," says Bolles, "is that we may have certain skills but not enjoy them."

Bolles has particular criticism for the traditional job-hunting process.

"Did you know that only one out of every 1,470 resumes sent out by all people ever links someone up with a job?" he says. Not much better in his opinion are employment agencies, job counselors, classified ads and the other accepted devices for helping people find work.

Qualification

What qualified Bolles for his present job, and for writing a book about job-hunting?

"Very simple," he says. "I was fired."

Fired from his job as pastor of a San Francisco congregation in 1968, to be exact, because of what he describes as "politics." But in job-hunting for his next job he started examining the whole process. And when he joined up with United Ministries, he set out to write a pamphlet to help unemployed college ministers.

Bolles says that "politics are always coming out with findings that 80 per cent of people like their work. I thoroughly disbelieve that."

Compared with even a decade ago, Bolles says, people today have become more critical of their jobs. They expect more and are more willing to leave their job if it doesn't measure up.

Is Bolles happy in his own job?

"You bet I am," he says. "I love this job."

Michigan Forest Is Found to Be 10,000 Years Old

By Boyce Rensberger

NEW YORK, April 9 (NYT)—A 10,000-year-old spruce forest, buried by glacial outwash from the last advance of the Wisconsin ice sheet, has been found still standing and with its wood in relatively normal condition near Marquette in Michigan's Upper Peninsula.

Among the hundreds of trees examined by scientists from Northern Michigan University were many measuring two feet in diameter and having about 150 annual growth rings.

The distance between the rings, an indicator of how favorable growing conditions were, became

restricted for the last 40 to 50 years of the trees' lives. This suggests that the glacier's approach, which stopped within a mile of the forest, was fairly sudden. Trees that attained two feet in diameter in 100 years, for example, added only an inch more in the next 50 years before dying.

The forest was discovered more than a year ago when an iron mining concern was bulldozing a valley to create a basin into which it could dump tailings. Announcement of the discovery was delayed until recently, one of the scientists said, because the Cleveland-based Iron Co. feared there would be a preservationist outcry to protect the forest.

Working with a \$16,000 grant from the company, the researchers excavated parts of the forest last summer, collected samples, and then departed so that the bulldozers could finish scooping out their basin.

"We agreed to this plan and got three or four trees out," said Dr. James Merriam, a botanist at Northern Michigan University in Marquette, 15 miles northwest of the forest. "We got all the information we needed and they got their basin back."

LUBBOCK, Texas, April 9 (UPI)—Five persons were killed and three children critically injured yesterday in the collision of a delivery truck and a car at a Lubbock County intersection.

5 Killed in Texas

MAIL CARRIERS HAVE ENOUGH TO BE BITTEN BY DOGS. THEY SYMPATHIZE, THEREFORE, WITH THE LITTLE OF PHOENIX, WHO WAS BITTEN ON THE HAND BY A RATTLESNAKE WEEK IN WHAT HE SAYS WAS AN APOCALYPTIC PRANK. THE POSTMAN IS THAT HE WAS BITTEN BY A SNAKE SOMEONE HAD APPARENTLY PUT IN HIS LITTLE COLLECTION BOX. "HE WAS WHEN I REACHED IN TO GET THE MAIL."

BRITAIN'S ROYAL FAMILY HAS BEEN GIVEN A 9.2-PERCENT PAY INCREASE, BRINGING THE ANNUAL ROYAL ALLOWANCE FROM THE EQUIVALENT OF \$4.8 MILLION TO \$5.29 MILLION. QUEEN ELIZABETH WILL RECEIVE THE BULK OF

THE TAX-FREE GRANT AND FIVE OTHER MEMBERS OF THE ROYAL FAMILY WILL SHARE THE REMAINDER. ONE OF THEM, PRINCESS MARGARET, AROUND WHOSE NECK HAS BEEN CONSIDERABLE CONSIDERATION CONCERNING HER MARRIAGE WITH RODDY LLEWELYN, A WELSH PRINCE, AND HER ALLEGED SHIRKING OF ROYAL DUTIES, "WILL ANY OF THIS TO HER, THERE WILL BE NOTHING OUTRAGE," WARNED WILHELM LUTHE, AN ANTI-MONARCHIST MEMBER OF PARLIAMENT WHO HAS BEEN THE PRINCESS'S LEADING ENEMY. THE EXACT AMOUNTS EARNED BY EACH MEMBER OF THE ROYAL FAMILY WILL NOT BE KNOWN FOR WEEKS.

IN FEDERAL COURT IN BRIDGEPORT, CONN., COMEDICIAN TUDOR FILED A \$2-MILLION DAMAGE SUIT AGAINST SEVEN PHYSICIANS AND FRANCIS HOSPITAL IN BRIDGEPORT WHERE SHE WAS HOSPITALIZED IN 1976 BEFORE THE AMPUTATION OF HER LEG. THE SUIT MADE ONLY GENERAL CHARGES OF NEGLIGENCE AGAINST THE DEFENDANTS AND THAT ADDITIONAL DETAILS WOULD BE GIVEN IN LITIGATION. THE LEG OF MRS. TUDOR, WHO IS 48 AND A NATIVE OF HAWAII, WAS AMPUTATED BECAUSE OF PHLEBITIS.

A GUTENBERG BIBLE WAS SOLD AUCTION FRIDAY IN NEW YORK FOR \$1.1 MILLION, THE HIGHEST PRICE EVER FOR A BOOK. MARC BRESLAUER, THE BERLIN-BORN FINE-ARTS RARE-BOOK DEALER, MADE PURCHASE AT CHRISTIE, MANSION WOODS. ALTHOUGH BRESLAUER WOULD NOT DISCLOSE FOR WHOM HE WAS BUYING, HE WAS SEEN NEAR O'HARD WARE, SECRETARY FOR THE HISTORY OF CULTURE OF BADEN-WÜRTTEMBERG IN STUTTGART, AND HANS-GEORG GELB, DIRECTOR OF THE STATE LIBRARY THERE. GELB ACKNOWLEDGED THAT PURCHASE WAS MADE FOR THE LIBRARY. THE MOST DISAPPOINTED PERSON, THE ROOM APPEARED TO BE JOHN A. KINS, A RARE-BOOK DEALER FROM AUSTIN, TEXAS, WHO STAYED IN AND HIDDEN IN \$1.6 MILLION. HE REPRESENTED ALLEN & CO., THE NEW YORK INVESTMENT BANKERS AND THE TROLLING INTEREST IN COLUMBIA TUBES.

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PEOPLE: Knievel Finds His Fortunes Considerably Diminished

A week before his scheduled release after serving a six-month prison term for beating a former employee with a baseball bat, Evel Knievel took stock of his fortunes and found much to lament. "Last year at this time I had 16 boats, 3 of them yachts, with a value of about \$5 million," the daredevil motorcycle star said. "I've had to sell them all with the exception of three speedboats and one 80-foot yacht. I have only two houses left. I had to sell five mink coats, all of the excess diamonds and other stones. I only kept the big ones." Besides all that, Knievel said from his prison cell, he has been forced to disperse with the bulk of his real estate, and now the only places he has to hang his crash helmet are homes in Montana and Florida.

"Things are tough, but I think I'll make it," he said.

John Wayne was moved out of the intensive-care unit at Massachusetts General Hospital during the weekend. "His convalescence remains on target" after his open-heart surgery, a hospital spokesman said. The 70-year-old actor has been able to get of his bed for short walks around his room.

Chief Justice Robert Rehn of the Massachusetts Superior Court is being assisted by attending a gay-rights benefit speech by author Gore Vidal. "Simply stated, I went to a church solely to hear a lecture by an eminent literary figure," the judge said. "I had the right to listen to a talk sponsored by a gay-rights group. I would never knowingly contribute to a defense fund. Bonin's ex-boss, retired Supreme Court Chief Justice Warren Burger, a longtime critic of Bonin, joined the criticism, calling on the judge to resign or step aside pending the outcome of an inquiry."

Sculptor George Segal has been commissioned to create a memorial to the four students killed at Kent State University in Ohio in an anti-war demonstration in 1970. Segal visited the Kent State campus two weeks ago. He will receive a \$100,000 commission for the memorial from the Mildred Andrews Fund of Cleveland. The sculptor said the work would be symbolic and would not actually depict the incident in which Ohio National Guardsmen fired into a crowd of stone-throwing students.

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INTERNATIONAL
Herald Tribune

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PARIS, APRIL 1978

Area Development in Europe

Strong Need to Confront Troubled Rural and Urban Regions

New Industry, Housing Out of Old London Docks

By Arturo F. Gonzalez Jr.

LONDON (IHT)—"To a way, we're finishing the job that Hitler started," says Alex Williamson of London's Dockland Joint Committee, which represents the people living in what he calls "the biggest urban development scheme ever attempted."

Standing on Tower Bridge spanning the Thames, he points downstream to the welter of dilapidated warehouses, tiny run-down factories and half-empty dockyards which line both sides of the river as it squiggles its way eastwards to the English Channel.

"During the war, Goering's Luftwaffe hit this area harder than any other part of Britain," Mr. Williamson said. "He turned it into the biggest conflagration since London proper burned down in 1666. And the port never really bounced back after the war."

"With the building of London's new deep-water and modernized container port at Tilbury, and ship tonnages getting steadily larger, the shallow upper Thames became less and less viable as a harbor. So instead, we're taking eight and one-half square miles of port in the middle of the city to re-do it as a new, improved industrial community with decent housing and profitable factories coexisting in an area rebuilt on the rubble left by the Nazi bombers. It could be a little like the way Christopher Wren rebuilt London after the Great Fire."

Keeping the people informed and enthusiastic is one of its biggest tasks, admits Brian Buckle, the committee's assistant director. "We had three months of meetings to get the views of the local citizens on record. They're

involved every step of the way, making sure that as well as the factories, there will be schools, recreation areas and plenty of access to the river for the fishermen and boating people. There's no way that the Thames will end up with both banks lined only with docks, warehouses and factories as now."

Currently, about 56,000 people, mostly ex-stevedores and their families, live in Dockland. As the project moves towards its planned 1997 completion date, it is expected that up to 120,000 people will be living there, attracted back to central London by better amenities and, more important, jobs.

Jobs

"Employment, of course, is the key element," says Mr. Buckle. "The older docks, we assume, will continue to close, even those long-established installations on the Isle of Dogs, in the middle of the Thames. We plan that they'll be replaced by industrial parks offering jobs both to men and women. The optimum job density is 40-to-50 workers per acre."

"We think companies will choose to locate in Dockland for many reasons. A huge market for products within just a few miles of Dockland. Easy access to financial institutions in the city. Good air and sea links to export markets. Plenty of under-utilized skills in the local labor force."

Telling world industry about

(Continued on Page 2)

People Involved

The Dockland's strategic plan is largely the brain child of Nigel Beard of the Greater London Council, the metropolitan area's administrative body. More than five years ago, Mr. Beard began dreaming about revitalizing London's midtown, half-abandoned East End. Five traditional, jealous boroughs had to be sold on working together in a joint project. Master plans had to be created, redrawn, then sold to the public and the politicians. By 1976, the last blueprint was approved.

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By Vanya Walker-Leigh

PARIS (IHT)—France's regional development policy has wrought major changes throughout the country over the last 20 years. Under the combined pressures of the changed economic environment and increasing demands for regional power, the policy now seems to be headed for a period of critical reassessment and review.

This is expected to culminate at the national conference convened by President Cocard d'Estes for the autumn.

"The key success of French regional policy has been the location of virtually the bulk of all new industrial capacity outside

the overgrown Paris area, between 1960 and 1975, and the creation of nearly one million industrial jobs throughout France," states Francois Essig, the delegate-general of the Delegation d'Amenagement du Territoire (DATAR).

DATAR was established in 1963 and is billed as an "inter-ministerial mission," whose 40-person staff has functioned with varying autonomy as an offshoot of the Premier's office. It is part think tank, part red tape cutter, part investment promotion agency, according to Mr. Essig.

DATAR's pragmatic approach has ruffled plenty of feathers in France's highly bureaucratic and

Officials look over sewer project at London's Surrey Docks.

FRANCE: No Longer Do All Roads Lead to Paris

The French telephone system has recently ceased to be a sick joke, linking almost every locality with the international automatic dialing system.

centralized administration and annoyed companies and banks by its urging to relocate out of Paris. DATAR itself has come under fire from provincial notables for being far too "technocratic, Parisian and colonialist" in its outlook.

DATAR's five local commissioners (representing the West Atlantic, North Pas de Calais, Lorraine, St. Etienne Mining

Basin, and Massif Central) are equally controversial—since though civil servants they also head up local industrialists' development associations. The commissioners in turn chafe at too much central control from the Paris office.

Not even DATAR officials agree with all of its industrial policy, but the delegation is generally credited with having played a

key role in sponsoring a revolution in France's previously inadequate and excessively Paris-oriented infrastructure. France now has the most elaborate domestic air network in Europe. Daily flights link 100 provincial towns with Paris and 50 with cities abroad, while flights between provincial centers increase year by year.

Connections

Traffic and road connections have improved beyond belief since the time when it was faster to go almost anywhere via Paris. The latest autoroute program (doubling the network from 2,437 to 4,698 miles between 1977 and 1983) is mainly based on open

country and transversal links. In the last six months, seven pilot regions have submitted regional public transport improvement schemes on the basis of studies partly financed by DATAR and other public bodies. Several more may emerge this year.

The French telephone system has recently ceased to be a sick joke, linking almost every locality with the international automatic dialing system, while 1977 saw the inauguration of a country-wide network of TV studios for long-distance intercity "teleconferences." Under DATAR's urging, the French post office has been installing a net-

(Continued on Page 6)

By Michael Chesney

EEC Looks to Joint Fund To Solve Regional Issues

BRUSSELS (IHT)—Since the birth of the European Economic Community 26 years ago the need has been strong to help its less-advantaged areas. But only recently has the community developed a joint tool with which to tackle its regional issues. It is called the European Regional Development Fund.

The basic problems have revolved around urban and rural development: remote farming regions with their aging and ebbing populations; areas in which traditional industries are in decline, leaving unemployment and environmental squalor; and congested cities, their centers in decay.

In the first three years of the fund's operation, up to the end of 1977, \$1.6 billion was distributed for projects ranging from irrigation systems in southern Italy to bogland farming in Ireland.

Economic crisis has blunted the effectiveness of the aid, however. Divergence among the regions is increasing, not narrowing. In the past few years the income gap between the well-off and worst-off areas has increased from a 5-1 to a 6-1 ratio. The rich are indeed getting richer and the poor, poorer.

The countries with the worst regional problems—Italy, Britain and Ireland—are also those with the most severe general problems.

Vicious Circle

Regional problems slow down overall development, and the gen-

eral economic difficulties make it hard to solve the regional problems. It is a vicious circle.

Recession hits the poorer regions hardest. Yet some observers feel that the EEC is more intent on protecting its traditional industrial heartland from further decline than on attending to the grievances of the peripheral regions.

"Frankly, an improvement in the economic situation would do more for regional development than all our plans put together," one official said. "Successful negotiations with Japan would probably have more beneficial effect on the regions than the entire ERDF."

In the first three years of the fund, Italy received 40 percent of the total, Britain 28, France 15, Germany 6.4 and Ireland 6 percent.

Southern Italy, Ireland, Northern Ireland, Greenland and the French Overseas Departments—hardly the usual picture of the community of nine—received 55 percent of all ERDF assistance, although with 26 million inhabitants, they have less than 10 percent of the community's population.

Global Policy

Every member country gets a slice of the ERDF pie—even Luxembourg, which received 0.1 percent. Many EEC officials would like to see a more imaginative regional policy, one which would enable them to solve problems on a global basis without respect to national frontiers. This is clearly impossible without economic and monetary union, which Roy Jenkins, the president of the EEC Commission, is stressing. His idea has not found an enthusiastic reception.

A global policy is impossible as long as ERDF is distributed according to national quotas. The national governments say where the aid should go, and the fund is added to amounts which the governments make available. Essentially, this enables each country to do a bit more of what it would be doing anyway. And since every country has a different regional policy, fragmentation results.

The fund makes grants to two main types of investment projects:

- To finance expansion in the
- (Continued on Page 8)

Finnish Town Is Built on Laboratory Scale

By Joe Brady

Nature and Man Are No Longer Forced to Give Way to Technology

TAPIOLA, Finland (IHT)—This town, which takes its name from Tapio, the Finnish forest god, lies about eight miles west of Helsinki. In the 1950s it was already fashionable as a pioneer project in urban planning, a community with a vision growing up in war-torn Finland. The shine has not worn off.

The man behind the Tapiola project is a lawyer, Heikki von Hertzen. He has earned the reputation as a visionary. But time has shown that he was not a dreamer back in 1951 when he set up the housing foundation that was to build a community based on man's basic biological and social needs, a town that he believed should grow with the topographical and climatic conditions that nature had given to southern Finland.

Mr. Von Hertzen tells a story from the early days of construction in Tapiola. Against his orders, a copse of birch trees was cut down in the name of building efficiency—a grave offense to the Finns, a people probably more integrated with the land than any other in Europe. The incident, writes Mr. von Hertzen, was the

last time that nature and man were forced to give way to technology in Tapiola.

The Tapiola Housing Foundation chose as the site for its first project a rural commune that offered planning freedom without the obstacles of metropolitan bureaucracy, prejudice and conservatism.

The Tapiola vision should not be seen as an isolated town-planning project in the days when Western Europe was beginning to recover from World War II. An important factor was the acute housing shortage in Finland just a few years after the war had left 400,000 displaced Finns in need of resettlement.

Flexibility

To get started in the 1950s an organization was needed that had the flexibility of a private enterprise and the influence of a public authority. In September, 1951, six organizations representing trade unions, children's welfare groups, civil servants, tenants, disabled civilians and servicemen were coordinated into

the Tapiola Housing Foundation headed by Mr. von Hertzen, then president of the Finnish Family Welfare League.

In this politically conscious country, it is significant that the foundation's member organizations reflected the entire social and political spectrum in Finland.

The first building land was bought in 1951. From then until 1956, when the income from site sales began to come into balance with the original outlay, construction work was paid for by short-term loans. Throughout its 27 years, the growth of Tapiola has been principally financed by sales of housing sites so that today almost 90 percent of dwellings are owner-occupied.

The housing foundation took responsibility for all public utilities, including a power plant. Heating and hot water are now supplied to practically every household by means of the district heating system—a solution that obviates the need for individual heating systems in either

apartment houses or detached homes. Hot water for heating and washing flows directly from the nearby power plant into almost every building in the town. The center has virtually no locally generated pollution.

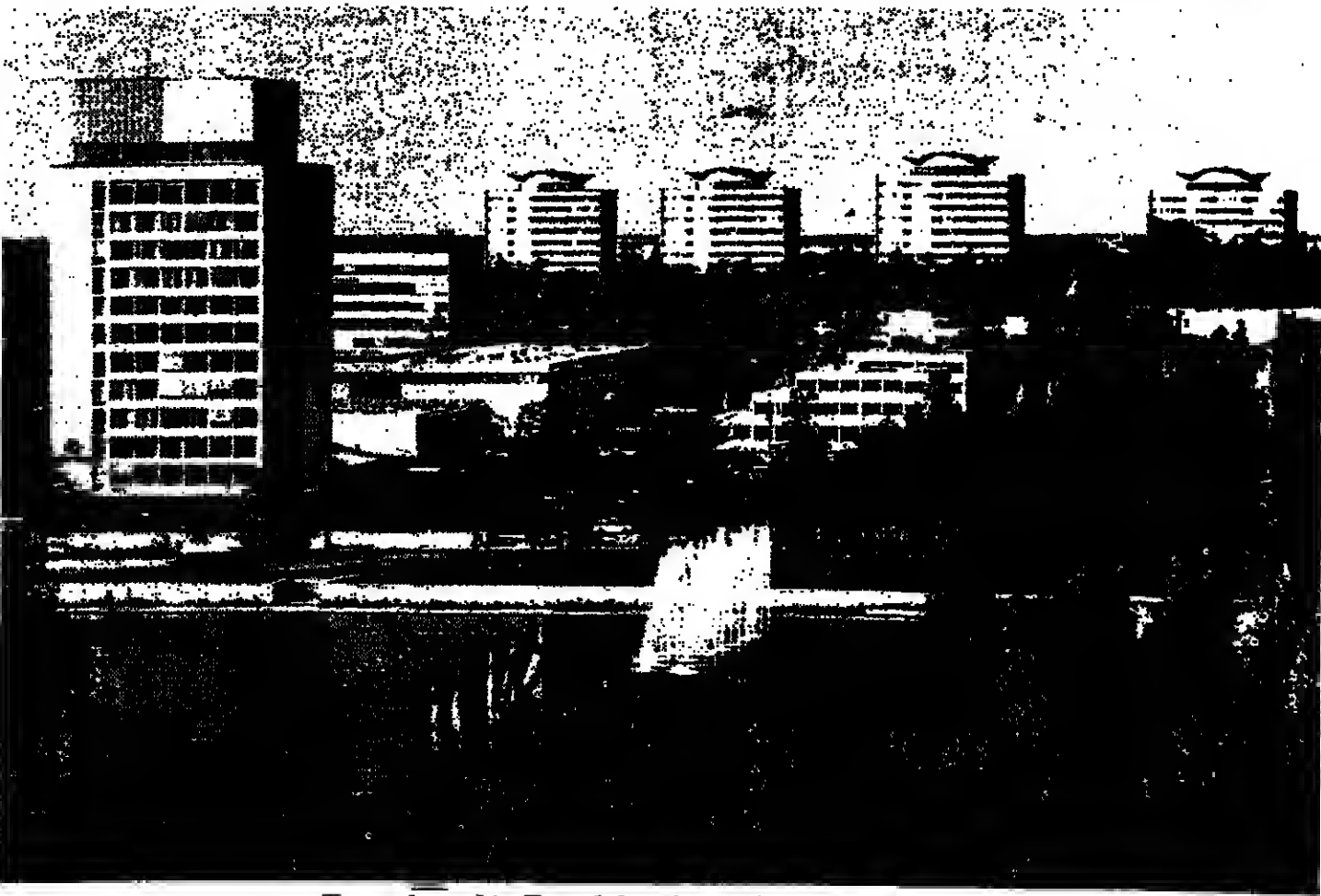
The idea behind Tapiola is that of a town built on what the information officer of the housing foundation, Uolevi Ikonen, calls "a laboratory scale." There are three neighborhoods, each linked by a promenade to the commercial center, which includes a medical center, swimming pool and sports facilities, churches and a luxury hotel as well as the full range of commercial and cultural facilities and schools.

The neighborhood planners wanted to locate food stores not more than 250 yards from each dwelling. To ensure this, there has been some commercial expansion outwards from the center.

As the surrounding population grew, through-traffic began to intrude on the town. In 1976 re-routing plans were introduced that now keep transit traffic out of all residential areas.

Today, Tapiola houses about 16,000 people from all of the

(Continued on Page 4)



Trees abound in Tapiola's office and commercial center.

A Special Report

In Great Britain, Creating New Towns Is Becoming Old Hat

By Raymond Palmer

LONDON (IHT)—The main thrust of area development in Britain has switched from the creation and buildup of new towns back to the decaying inner city areas which desperately need the kiss of life.

Eight of the new towns which have already been created are expected to reach their population targets in the early 1980s. These new towns, among them Harlow, Runcorn, and Stevenage, will then be transferred from the control of the Development Corporations which brought them into being, to the Commission for the New Towns. Their housing will be transferred to the control of local authorities for the area.

The change of emphasis is also indicated by the fact that new, lower targets have been set for the Central Lancashire new town and the decision not to proceed with Stonehouse new town in Scotland. The skills and technical capabilities thus released in the East Kilbride and Stonehouse Development Corporation were switched to assist with the urban renewal project in Glasgow's East End.

The Glasgow Eastern Area Renewal project is the first major urban renewal initiative to be launched in Britain. It aims at the comprehensive regeneration of a large part of Glasgow. A total of \$228 million is being spent on rebuilding a 350-acre area containing some of the worst slums, tenements and run-down areas of any European city. Some 70,000 people live in the area in crowded, crumbling buildings, often lacking such basic amenities as running hot water and bathrooms, and often sharing toilet facilities.

Model Project

The GEAR project has aroused intense interest in Britain where it is something of a pacesetter for other urban renewal projects, and in Europe. The European Economic Community's regional development organization in Brussels regards this part of Scotland with its population of 850,000 as

the most deprived in Europe and is helping to defray part of the costs of the scheme. It believes the GEAR project could provide a model for urban renewal projects in the nine member countries of the EEC.

The project recognizes the need not only for new housing and infrastructure to replace the existing gaunt tenement blocks and slum properties, but also to provide for the social, employment and other needs of the people in the area. So good new housing will be accompanied by proper recreational, social and educational facilities.

Among schemes already underway as part of the project are the improvement of 92 sites which together cover over 100 acres. These range from turning derelict sites into kick-about play areas for youngsters to opening up riverside approaches and walkways and clearing unused sites for use as general amenity areas.

A survey was carried out into the demand for and the shortage of indoor recreational facilities in the East End and plans have now been completed for a major indoor sports complex. This will contain provisions for such activities as indoor football, badminton, athletics, judo, squash, boxing, drama, indoor bowling and country dancing.

Construction work on the housing program was started by the Scottish Special Housing Association last June. The first phase was the construction of 110 houses at Fairbairn Street. Work has also begun on the rehabilitation and modernization of properties which can be brought up to acceptable standards.

A pollution study carried out in the area as one of the moves to improve the environment concluded that the largest single contribution to alleviate pollution would be a domestic smoke control order which would ban the use of smoke-making types of coal for domestic heating.

Construction has also started on Scottish Development Agency

"Twentieth century civilization has been based on cities... They serve and sustain the whole region around them in cultural, social and economic terms. If cities fail, so... does our society."

advance factories and small workshop-type factory units. A number of firms have already expressed interest either in expansion or relocation within the GEAR area. It is hoped that a plan to clear 500 acres for a new industrial estate will provide 16,000 badly needed jobs.

The overall GEAR project is expected to take eight years to complete. It is being coordinated by the Scottish Development Agency with the participation of the Glasgow District Council, the Strathclyde Regional Council, the Scottish Development Agency and the Scottish Special Housing Association. The governing committee has agreed, among other things: That no existing residents who find it necessary to move home will have to leave the area if they don't want to; That existing small industries in the area will not be disturbed by redevelopment without being offered suitable cheap alternative accommodation; That all new housing should be of the two-story or cottage type and owner-occupation should be encouraged.

Bruce Melton, MP, Secretary of State for Scotland, said: "This special project was essential if we are to make a better place in which to live and work." General agreement has been reached on long-term aims, he said, and these will be "of immediate interest to present residents of the area who may now be assured that the East End project means business and that it will provide for them an improvement in their housing conditions, their physical environment, the job opportunities available to them, and the public services on which they rely."

While the Glasgow project was

the first such urban renewal program to get started, similar, if less ambitious, programs are also underway throughout Britain.

Urban decay in Britain has not yet reached the levels of American cities where landlords sometimes burn their properties behind them, but it has blighted large areas at the hearts of many British cities. Urban renewal has at last become a fashionable issue and one given a high priority.

In September last year, Prime Minister James Callaghan set up a special Cabinet committee under Environment Secretary Peter Shore to find ways of stopping the inner city rot. Within days Mr. Shore set the keynote of the policy in a speech at Manchester, one of the conurbations with severe inner city problems.

"Twentieth century civilization," said Mr. Shore, "has been based on cities... They serve and sustain the whole region around them in cultural, social and economic terms. If cities fail, so to a large extent does our society. This is the urgency of tackling the problem."

In recent decades, the government pinned its hopes on the new towns policy, designed to cope with a growing population. In 1964, when further new towns were still being planned, it was estimated that there would be 74.7 million Britons alive by the year 2000. These estimates have had to be revised sharply downwards and the best guess now is that by the end of the millennium, the population will be around only 58.3 million—not much more than the 1975 total of 56 million.

The result is that expansion of new towns is likely to be slowed while resources are switched to save the inner cities. This can be

simply done by the government refusing to further increase their designated limits.

Other money to finance inner city renewal is coming from the rate support grant which central government pays to local authorities to subsidize local property taxes. Two of three criteria considered in fixing the amount of rate support granted are biased in favor of inner city areas. The first of these is the needs element which is based on such factors as an area's unemployment and the percentage of its population made up of dependent groups such as

the young and elderly. The second criteria is the resources element: Those areas with more desirable properties and large industries with high rateable taxes do not get as much assistance as those areas which are short on resources to help themselves.

As a result of the switch to resources, Mr. Shore announced that urban aid, used to finance 75 percent of the cost of approved inner-city projects, would be increased from its 1977 level of around \$37 million for England and Wales to \$237.5 million annually in 1979-80. It might be further increased as part of a continuing commitment over the next decade. The government also announced increased construction programs totaling \$950 million.

This is the amount it will allow local authorities to borrow from various sources to finance construction of such projects as roads, schools, hospitals.

Government assistance is also available to local authorities under the housing investment program to assist in constructing new housing and modernizing and renovating existing properties.

The government Inner Urban Areas bill, published last December and now going through Parliament, will give increased powers to local authorities to assist industry so as to provide the economic base to regenerate inner city areas. Fifteen local authorities have already been selected to become "designated districts" under the bill. They are Bolton, Bradford, Hull, Leeds, Leicester, Middlesbrough, North and South Tyneside, Nottingham, Oldham, Sheffield, Sunderland, Wirral, Wolverhampton and Walsley (London).

When the bill becomes law, probably later this year, they will be able to make loans at commercial

rates for land purchases and construction or modification of buildings. They will also be able to establish "industrial improvement areas" where they may give grants or loans for environmental improvements or to convert buildings to provide employment opportunities.

For the hardest hit areas, the government is entering what it calls "partnership" arrangements. The seven "partnership areas" will, in addition to the powers granted to "designated districts" be able to give grants towards rents to assist firms leasing private properties and to make loans, interest free up to two years, to assist in bringing inner city sites back into use.

These seven "partnership areas" are Liverpool, Birmingham, Manchester/Salford, Newcastle/Gateshead, and in London, Islington/Hackney, Lambeth, and the docklands boroughs.

Industry, Housing Out of London Docks

(Continued from Page 1)

what Dockland offers has involved the creation of a \$490,000 international-marketing campaign. Sales teams have fanned out to Japan, France and the Netherlands.

But there is little or no marketing in Great Britain. "For years it has been [British government] policy to get new industry out of London and into some of Britain's other areas," Mr. Williamson explains. "That's where EEC financing is directed; we get hardly any EEC funds. It's presumed that London already has an unfair advantage over the rest of Britain as a factory site which would be wrong to promote internally. So, for instance, we've even abandoned our plans to poster London with adverts talking up the Dockland scheme."

Crucial decisions still have to be made on allied projects if the early enthusiasm for Dockland is

The proposed \$340-million Jubilee Underground line is vital. (The subway route is named after the 25th anniversary of Queen Elizabeth's coronation, which was celebrated last year.) The national government has not yet promised that it will pay for the Underground extension, but the Greater London Council seems to feel the funds will come and has invested \$4.9 million in the project out of this year's budget. The line is expected to be completed by 1986.

The proposed London International Trade Mart on the South Bank in the Surrey Dock area is also crucial. The American firm, Trammell Crow, originally indicated it was willing to put up \$540 million for this 6-million-square-foot project, which was to employ 12,000 in a complex of three hotels, stores, warehouses and display rooms for clothing, furniture, giftware and hardware. But when bank lending rates soared, the plan was postponed.

Renegotiations are now underway and it is expected that an announcement will be made shortly that the project is moving forward.

Elsewhere in Dockland, bulldozers are filling in 330 hectares of the Bechtel Marshes, with \$20.2 million being spent in converting wastelands into potential home and factory sites.

Across the Thames, a flood barrier is well on the way to completion. Along with a stretch of high walls downstream, it will end the constant threat of the river overflowing. This will open up hundreds of acres of London land for potential development, marshy regions which until now had been too close to the waterline to be used safely.

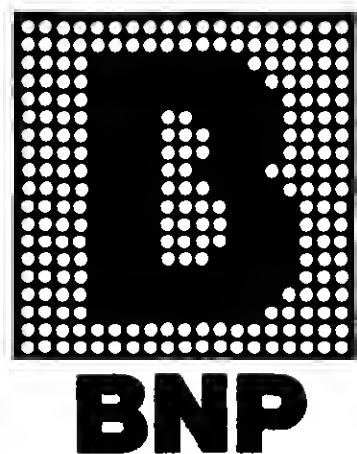
A 65-acre industrial site at Bechtel is about to open. Privately financed, most of its 100,000 square feet have been leased to companies eager to enter the area.

All told, the planning authori-

ties have processed more than 100 new applications for industrial or commercial projects in Dockland.

Throughout East London, the grinding of bulldozer engines signal that Dockland's planners are finishing off the flattening job that Hitler started. Rebuilding is not far behind. Networks of new roads are either under construction or on blueprints. Ten thousand homes are targeted to be built in the next five years, all no higher than three stories, with gardens and yards.

For 1978-79, Britain's government has earmarked \$33.3 million for such infrastructure projects in the area as new roads and factories, a sports hall in Wapping and a psychiatric clinic in Speedwell. Grants of up to 75 percent of the construction cost come out of government funds, with a further \$88 million pledged to Dockland projects between 1979 and 1982.



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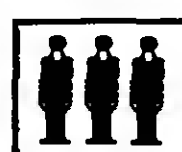
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A Special Report

West Germany: Projects Affect Almost Third of Population

By Darrell Delamaide

BONN (IHT)—Area development in West Germany differs from that of other European countries in two important ways, both results of World War II. The Federal Republic's constitution deliberately decentralized government power and gave the individual states (*Laender*) wide-ranging autonomy. State representatives have an important voice in determining overall priorities in German regional development, and government aid is administered at state level. The other side of the coin is that state (and to a certain extent, local) governments provide about half the financing.

The second distinction results from the division of Germany into two countries. The border between the two Germanies marks not only the outer reaches of the European Economic Community but also of Western Europe. This makes the zone border less attractive for industry, and the area has been a major target of government development funds.

All in all, though, area development in Germany seems less urgent than in other European countries. The catchwords in Bonn are structural policy—a term for coping with the dislocation of new technologies, industrial adjustments and the shifting nature of the work force. The government's energies are concentrated on identifying jeopardized occupations and industries. Funds are being channeled into programs for retraining and relocating workers.

Future emphasis will be in providing new jobs for those put out of work in industries like steel, textiles and shipbuilding. While these shifts obviously hit some areas harder than others, government aid in these cases is not area development per se.

State Action

This doesn't hinder the states themselves, through government agencies or chambers of industry and commerce, from promoting the state and luring new investment. Economically healthy states like Baden-Wuerttemberg and Hesse actively seek new investment, as does Bavaria, which has some of the nation's richest and poorest sections within its boundaries.

Preliminary figures compiled by the Dresdner Bank shows that 1977 per capita gross national product (GNP) in West Germany was DM 18,300 (about \$9,150). Excepting the city-states (Hamburg, Bremen and West Berlin), Baden-Wuerttemberg registered the highest per capita GNP with DM 20,400, closely followed by Hesse with 20,200 (\$10,200 and

\$10,100). North Rhine-Westphalia (NRW), which embraces the powerful Ruhr area and accounts for 28 percent of the country's income, registered 19,500 (\$9,750). Bavaria, the largest state in the area, posted 18,600 (\$9,300), just above the average. The northern states Schleswig-Holstein and Lower Saxony shared the bottom rung with 16,100 (\$8,050) and 16,200 (\$8,100). The Western border states Saarland and Rhineland Palatinate showed 17,500 (\$8,750) and 17,400 (\$8,700).

Hamburg and Bremen, which are *Laender* in their own right, evidence a high concentration of population and industry and show per capita GNP of DM 31,500 (\$15,750) and 27,200 (\$13,600). West Berlin, a special case, posted DM 22,600 (\$11,300).

The buying-power index compiled by the Nuremberg Society for Consumer Research shows a slightly different picture. Baden-Wuerttemberg shows the highest buying power (excepting again the city-states) with an index of 106.6 (100 national average). Lowest, however, is not Schleswig-Holstein (94.1) but Saarland with 81.2. The other states are: Hesse, 103.8; NRW, 100.5; Bavaria, 94.6; Rhineland Palatinate, 92.9; and Lower Saxony, 87.5. The city-states: Hamburg, 139.4; Bremen, 120.3 and West Berlin, 118.9.

Support Area

The area designated for government aid covers almost 60 percent of West German territory. It's not surprising that the greater portion of this area lies in the stronger economic states—Baden-Wuerttemberg, NRW, Hesse and central to southern Bavaria. The support area, divided into 21 action programs, embraces more than 20 million people, just under one-third of the total population.

The main vehicle for government aid is the joint project (*Gemeinschaftsaufgabe*) under the 1969 law for "Improvement of the Regional Economic Structure." A planning committee made up of 11 representatives from the federal government, including economics and finance ministers, and the 11 economic ministers from the states and West Berlin determine the aid area and the points of concentration within the area. There are about 325 crucial points.

Planning committee decisions require a majority of 17 affirmative votes, which means that the federal government and a majority of the state governments must approve the general priorities. The aid is administered by the state government, which ap-

proves the projects to receive the support.

Regional development's goals are creation and maintenance of jobs, increasing private and corporate income levels in weak areas and improvement of infrastructure and general living conditions in the support areas.

The primary method is investment incentives, designed to encourage industry to move into these regions or to expand existing capacity. Incentives include an investment premium up to 7.5 percent and direct investment subsidies bringing overall aid up to 20 percent of investment volume, or, in the case of zone-border aid, up to 25 percent.

Shift

Emphasis on aid for industrial development reflected the shift in the weaker areas from agrarian occupations to industrial. Industrial development after the war was fairly homogeneous. Germany was industrialized relatively late, and postwar rebuilding allowed a more even development than in other big European countries.

The arbitrary drawing of boundaries after the war, however, played havoc with established infrastructure and explains the stress on development in the zone-border area. Industry along the northern part of the East German border was oriented toward Berlin and that in the central toward Saxony. Now, the northern industry has been shifted toward the Rhine-Ruhr area, and the more southerly has been grouped around Nuremberg.

An example of successful development in the zone-border region is the Wolfsburg-Salgitter axis. Wolfsburg is the home of Volkswagen, and the government has been anxious to draw more industry to the region. In the period 1972-1975, the city of Salzgitter received DM 1.9 billion (then worth about \$655 million) in commercial investments subsidized by the government. Braunschweig and Peine received DM 686 million (\$235 million) and DM 514 million (\$175 million). Altogether, Action Program 6 posted DM 4.9 billion (\$1.65 billion) in new commercial investment in that period.

A zone-border area that has been more resistant to aid is the Bavarian Woods, the large forest area running along the border in northeastern Bavaria. The landscape itself is not congenial to industry. Action programs in North Bavaria and East Bavaria put DM 4.3 billion (\$1.5 billion) and 3.2 billion (\$1.1 billion) into new commercial investments in 1972-75. A heavy emphasis here has been sponsorship of inns and

recreational centers to promote tourism in the region.

Tourism is also stressed in two difficult northern regions not in the zone-border area, Western Schleswig-Holstein, bordering on the North Sea, and East Friesland, a part of Lower Saxony also on the North Sea. Both areas suffer industrially by being cut off from the Kiel-Hamburg-Bremen axis. Even tourism is difficult to support because the season in these northern areas is relatively brief.

Another region which has been the site of intensive aid, on the Western border rather than the Eastern, is Saarland. Surprisingly, government officials consider regional development here quite successful—but the success has

been overshadowed by the steel crisis, which has hit the Saar foundries particularly hard.

In 1972-75, DM 3.9 billion (\$1.3 billion) in new commercial investments were subsidized in the tiny state. The restructuring in the Saar steel industry through its consolidation in the Luxembourg firm, Arbed, is expected to trim at least 8,000-9,000 jobs. Bonn is setting up a special DM 200-million (\$100-million) program to help retrain these workers and create new jobs. In addition, the government is providing credits and guarantees for the restructuring itself.

Joint project aid is just the core of government measures promoting regional development. It is supplemented through other pro-

grams like the low-interest loans to small and medium-sized industry from the European Recovery Program Fund (ERP, a holdover from the Marshall Plan), nationwide infrastructure investment programs, special tax write-offs in the zone-border area and special programs like that for Saarland or the special Volkswagen program to cope with VW's 1975 layoff of 25,000 workers. Berlin benefits from a variety of special tax breaks and subsidies.

In 1977, for example, the regional development budget called for DM 588 million (now worth \$295 million) in direct subsidies. A further DM 666 million (\$333 million) in lost taxes was budgeted for the investment premium. This basic investment subsidy of

DM 1.2 billion (\$600 million in current dollars) is foreseen for each year in the planning period.

This was supplemented in 1977 by DM 40 million (\$20 million) in the special VW program, and another DM 40 million in funds from the infrastructure investment program designed for regional development projects. Under the second program, DM 500 million (\$250 million) is to be made available in the 1977-80 period. Also in 1977, DM 365 million (now worth \$182 million) was forthcoming from the ERP funds for low-interest commercial loans, available to firms in support areas as well as others.

All in all, direct government aid for regional development runs to about DM 1.5-2 billion (\$750

million to \$1 billion) annually. In addition, the government's highway and housing policy also takes account of regional development.

But government officials in Bonn caution that a change in national economic development will sharply reduce the effectiveness of regional aid programs. Overall economic growth is likely to be much slower. The share of industry in GNP will increase, but this will represent increased productivity through new technologies and not more jobs. Those areas that are still under-industrialized—like the Bavarian Woods or East Friesland—are likely to remain so. Nor do these areas attract major service industries, which tend to locate in high-population centers.



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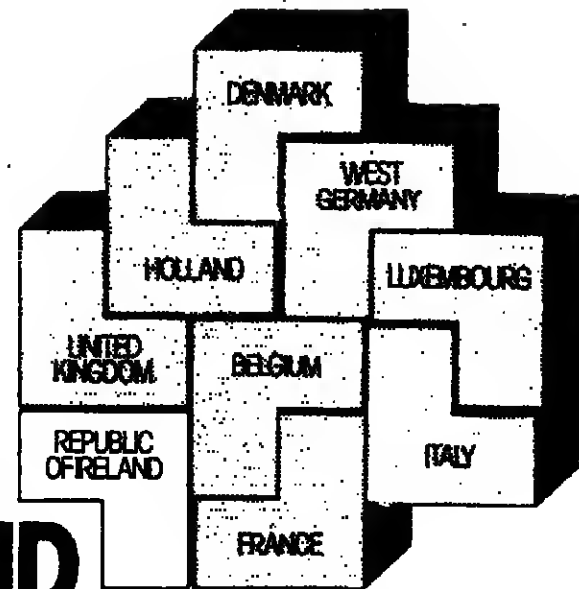
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A Special Report

Italy: Political Stakes of Regionalization Are High

By Christine Lord

ROME (IHT)—The place was the Italian capital. The meeting was among a small "inside" group of politicians. The issue was whether the functions of the employment office, a powerful centralized machine through which the Christian Democrats extend their influence throughout Italy, would be turned over to the regions as part of their job of administering local economic matters.

The Christian Democrat, with a significant look around at his colleagues from other parties, said confidentially to them: "Look, we know we will have to give up some of our powers. But that one—really, that's a bit too much to expect."

The Stakes

The political stakes in regionalization in Italy are far greater than the mere shift of power away from the central government where it has remained for so long. Local elections in recent years have conferred increasing power on the left-wing parties, and by now the majority of Italian cities and towns are under administrations that are Communist, Socialist, or mixed. Because of this, the implementation of regional administrations will, in a very real way, mean a shift of power from the hands of the Christian Democrats, who still dominate the central government, into the hands of the left-wing parties.

Questions

The Italian Constitution itself provides for decentralization of some powers to the regions. Matters of territorial development (including urban affairs), social services, and the local economy are clearly declared under regional jurisdiction. The central government is made responsible for areas affecting the entire nation such as foreign and monetary

Local elections in recent years have conferred

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towns are under administrations that are

Communist, Socialist, or mixed.

policy, the armed forces, and education.

But beyond these general outlines the constitution leaves a number of questions wide open to interpretation and debate. For instance: Does the management of urban matters refer simply to housing and transport, or more broadly to all environmental planning? Does the regional jurisdiction over agriculture and forestry extend to commerce of agricultural goods, to the water supply, and to ecological matters in general?

Rightful Clout

Debate over such fine points has been a reason for much of the delay in bringing decentralization about, not least because the central government has frequently interpreted the constitution in the most restrictive way possible. The result has been a fragmented implementation of regional powers that has deprived those administrations of much of their rightful clout.

Five of Italy's 20 regions have already enjoyed a considerable amount of autonomy since the postwar period. Those are the regions which, by virtue of their ethnic or geographical characteristics, were granted a so-called "special statute" that could take into account their particular needs and which in many areas rendered them largely independent of central government control.

Special

The regions under a special statute are Val d'Aosta, Trentino-Alto Adige (or South Tyrol), and Friuli-Venezia Giulia, which have sizable French, German and Slovenian-speaking minorities respectively, and the islands of Sicily and Sardinia.

Implementation of the remaining 15 regions as administrative entities has proceeded more slowly. Centrist Christian Democrats' efforts to consolidate their power base in the immediate postwar period have resulted in a highly centralized government apparatus and a vertical system of administration—hardly conducive, or congenial, to the decentralization that regional government implies.

Alongside this vertical power structure has grown a plethora of semi-governmental organiza-

tions—the so-called *parastato*—which frequently represented sectarian interests and, as an instrument of patronage, grew to be one of the most effective tools of power the Christian Democrats possessed.

Jungle

The enormous power represented by such organizations is illustrated by the difficulties that have been encountered in any attempt to do away with them. Italy has about 60,000 such agencies, many of which serve no known function but that of furnishing their employees with a monthly paycheck. Attempts to cut back this bureaucratic jungle have been regularly opposed by, above all, the Christian Democrats. Since many of these organizations—useless or otherwise—deal in areas that now are under regional jurisdiction, legislative action was taken to do away with them. After much deliberation, a total of 74 of the agencies were listed for elimination, including the National Consortium of Producers of Canapa, the Consortium for Protection Against Diseases and Parasites of Cultivated Plants, the National Federation of Associations of Large Families, and the Autonomous Agency for Land Reform, Irrigation and Reassessment of the Provinces of Arezzo, Perugia, Siena and Terni.

Outcry

The extent of the list created such an outcry from various interest groups that it was revised to 62—12 agencies fewer. In this way, the continued existence of such organizations as the National Rice Agency, the National Agency for Assistance to Children of Border Regions, and the National Union for the Propagation of Equine Species is assured at least in the near future.

Under such circumstances, it is little wonder that regional development, which would distribute powers and resources throughout the country, has been a long time getting off the ground.

The first concrete moves toward implementing regional administrations were not made until the 1960s. This was largely due to the shift in the political scene toward the left and the general disillusionment of Italians with the inefficiencies and shortcomings of the Christian

Democratic administration.

Nearly a decade has passed since 1968 when a law was passed providing for the election of regional councils, or parliaments. In 1975, an earlier provision delegating the government to decide which matters should pass from central to regional jurisdiction was renewed and made more specific. It required that the government hear both the regions and a special parliamentary committee for regional affairs before making any final decision on the extent of regional powers.

Deadlines Fixed

After years of political wrangles and slowdowns, the effects of the regional law began to show some results only last summer when clear-cut deadlines for the implementation of regional administrations were fixed. This was part of an overall program drawn up by the six major parties in July. Implementation is to be staggered over the next three years according to sector.

Many difficulties have been encountered in carrying out regionalization that exists on paper. Institutions that should be participating in the process of decentralization often function only in part. Regional planning in a concrete sense is still in its infancy. Regional administrations have been rendered less efficient than they might be by an ongoing tendency toward the system of patronage, and by the transfers of large numbers of personnel from obsolete organs of the central government.

As a result, actual delegation of powers has often been limited to minor areas of action, and the current structural and fiscal crises in many local administrations have contributed to the risk that the new regional governments may be weakened at the outset by

their very inability to intervene.

The danger, of course, is that the regions may become merely a fourth bureaucracy—after central government, provinces, and cities or towns. But ideally—and this is the vision of the proponents of regionalism—they should serve as flexible coordinating bodies that would enable local governments to make full use of their own autonomy in planning and legislative matters. There have been some recent encouraging signs in that direction: A tendency by the regions to delegate more power to local administrative bodies; the formation of associations of cities and towns in horizontal rather than a hierarchical organization.

Financing Unresolved

Regional financing is still an unresolved issue. The state is to assure the regions of financial means both by ceding to regional administrations some taxes that are now the prerogative of the central government (principally the road circulation tax on motor vehicles), and by earmarking a percentage of national revenues to the regions—chiefly from gasoline and tobacco, which is a government monopoly.

Income should also be forthcoming from a fund for regional development; but central government administrators are predictably reluctant to release the financial levers they still control.

The Common Market also contributes from its fund for regional development; Italy has traditionally been one of the prime beneficiaries. Paradoxically, the country has at times failed to take advantage of available funds because of bureaucratic inefficiency and poor organization. The EEC, announced in February that it had earmarked 1,000 billion lire (approximately \$1.2 billion) for the Italian regions, mainly the country's poor south.

BERLIN-DAIMLERSTRASSE 1030 AM



Chancellor Helmut Schmidt, Berlin's Governing Mayor Dietrich Stobbe, Development Manager of Daimler-Benz Prof. Hans Scherenberg, Berlin's Mayor and Senator for Economics Wolfgang Lüder, Daimler-Benz General Manager Prof. Joachim Zahn (from left).

Small Summit Meeting at Mercedes-Benz Berlin

In October, the makers of the world famous Mercedes-Benz automobile, celebrated the company's diamond jubilee in Berlin by unveiling its first ecologically safe, pollution-free, hydrogen-powered bus. With 4,000 employees in Berlin, Daimler-Benz is the fifth largest private employer in the city. Every Mercedes leaving any of Daimler-Benz's assembly plants contains precision instruments made in Berlin. Since 1970, Daimler-Benz has invested about US \$ 76 Mio in Berlin and additional investments totalling US \$ 55 Mio are planned through 1982. Daimler-Benz, by taking advantage of Berlin's special tax and investment incentives, is only one of many inter-

nationally-known companies to support the city's efforts to secure old jobs and create new ones. In Berlin, Germany's largest industrial city, middle-sized companies recently established operate just as successfully as important international firms. For information about investment incentive programmes and additional possibilities in Berlin, contact: Info 57/78, Presse- und Informationsamt des Landes Berlin, Rathaus Schöneberg, 1000 Berlin 62.

**invest -
produce in Berlin**

Finnish Town Is Built On Laboratory Scale

(Continued from Page 1)

main urban socioeconomic groups. Of the working-age population, just more than half are employed within the town. Ultimately, there should be about 7,000 jobs providing work for more than 80 percent of the earning population.

Purpose

The laboratory-scale philosophy has meant that Tapiola's planners have kept their sense of purpose. There is no intention that the town will grow beyond the population originally planned, although in fact there is another fully integrated new town developing not far away at Kivenlahti, on the shores of the Baltic. "Tapiola has avoided the mistake of first setting goals and then changing them," Mr. Ikonen points out.

The architectural integrity of Tapiola is maintained by juxtaposing medium-rise and low-rise buildings, providing single-family dwellings and row houses with the facilities and services of multi-story buildings.

Community spirit appears to be high. Tapiola is still a first-generation community in a country where two decades ago almost

half of the people were rural homesteaders.

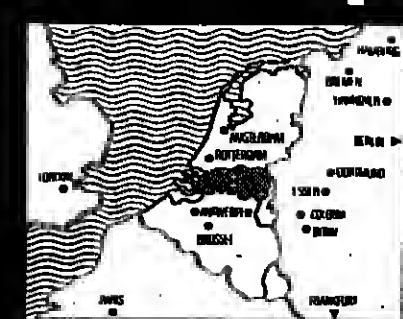
In 1975, Tapiola was awarded a prize by the French Institute de la Vie—not solely for its architectural excellence but also for its success in developing into an integrated community in which 96 percent of the residents polled in a University of Helsinki survey said they liked living there.

The survey found that only four of the 144 families questioned wanted to leave. One family wanted to go back to the city. Another family head had to travel too far to work. A third family did not like living in a multi-story building. In the fourth case, the mother had a problem carrying small children in a building without an elevator.

Bearings

When a visitor first visits Tapiola, he may have difficulty getting his bearings. But what may be a problem to a visitor is an asset for the residents. The large tracts of woodland, mainly pine and birch, have not been bulldozed. The town has largely succeeded in providing the sylvan surroundings that appeal so much to the people of this forested country.

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A Special Report

Ireland: Attracting New Industry to the 'Auld Sod'

DUBLIN (IHT) — Ireland's Industrial Development Authority is moving this largely agricultural country into the 20th century. Founded in the 1950s, the IDA now employs more than 500 experts in 24 offices, 14 of them overseas. Their job: To attract new industry to the "Auld Sod" and to make sure the new firms profitably employ Irish workers once they arrive and set up shop.

"The IDA's success is the envy of most European countries," admits a British industrialist.

More than 700 companies have come into Ireland under IDA auspices since 1960. The fixed assets of these newcomers now total almost \$1.2 billion.

Foreign manufacturers are attracted to Ireland because, while it is inside the tariff wall of the European Economic Community, land costs and wages are far below those on the Continent. It's the least densely populated EEC country — with plenty of green fields in which to put up new plants.

Emigrants Return

"The chief inducement the IDA offers," explains Hugh Alston, who heads IDA activity in Britain, "is a tax exemption on all profits from exports until 1990. Firms can either reinvest these profits or take them out of the country. A firm may also write off up to 120 percent of the cost of new plant and machinery in its first year of operation."

"We've done cost comparisons, and Ireland now offers a return on investment that's three times as good as what is available in other European locations. Payback of investment in Ireland comes twice as quickly as elsewhere. And these aren't just our figures. The statistics of the U.S. Department of Commerce show that the return on investment clocked by U.S. affiliates in Ireland is far in excess of what U.S. firms do elsewhere in Europe."

Terry Brown, the IDA man in Paris, points out that the IDA offers direct capital grants to IDA

approved projects. "We arrange grants towards the cost of fixed assets," he explains, "including site development." The size of the grant "depends on how badly Ireland needs your particular industry and how many jobs you're going to provide in what region of Ireland that may badly need employment," Mr. Brown says. "In the largely undeveloped western part of the country, grant levels can go up to 50 percent of fixed investment. Elsewhere, the limit is 35 percent."

Impressed

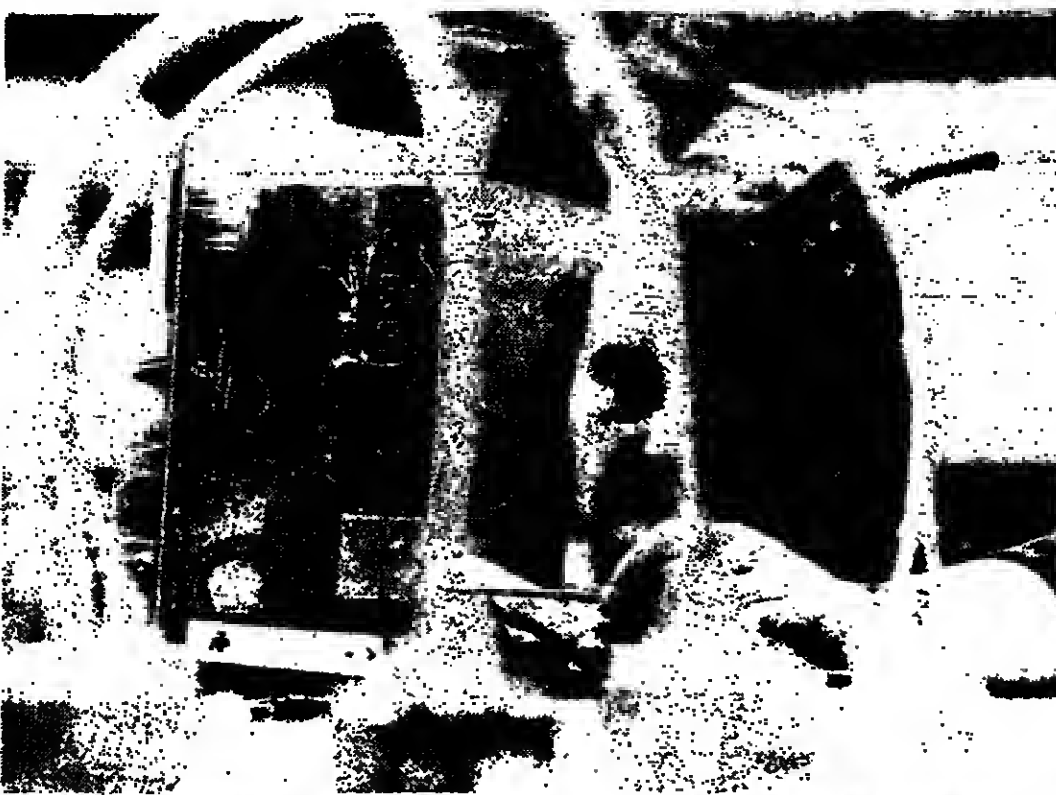
The Netherlands IDA chief, Barry O'Connell, says his clients are impressed by the fact that the IDA offers what amounts to one-stop service. "We can guarantee loans," he says, "subsidize interest charges, take an equity stake in your project if we really want it badly enough. We operate advisory services in selecting a site, raising the money, training manpower and slashing the legal red tape. And we don't cut and run once the firm is in business in Ireland. We have a network of regional offices all over the country and our reps are on the scene when they're needed."

The roll of firms makes an impressive list. The British giant, Courtauld's, has put up a \$50-million plant in remote Donegal. America's Black & Decker expects to employ more than 1,000 in its plant in Kildare, which went from an empty site to a functioning production line in just six months.

The Scandinavian Tretorn company makes tennis balls in its \$8-million Irish plant because Irish wages are one-third what it would have to pay workers in Sweden.

From America

Almost half the new firms attracted by the IDA have been American, attracted primarily by the fact that the workers speak English. Burlington Industries already has two factories in the country, employing more than 1,000 workers, and has just an-



An engineer works in one of the hundreds of foreign companies in Ireland.

nounced plans to invest \$90 million in four new plants. U.S. Department of Commerce figures help to explain this enthusiasm for Ireland. The incoming American firms enjoy a 29.5 percent return on investment per year, the highest return achieved in any country.

The Japanese are not far behind. So many Irish foremen have been taken to Japan to see its manufacturing methods that a TV film crew recently did a documentary on them — "The Rice Paddies." This arch-Catholic country was scandalized to see Paddy, Kevin and the other fine lads being massaged by Japanese women during their off-hours and attending heathen Shinto ceremonies.

Among IDA's satisfied Japanese clients is Asahi, which now headquarters its entire European operation in Dublin.

There have been some problems. Several years ago, the IRA kidnapped the head of a Dutch company, Ferenka, and held him for weeks. For a time, he and his firm were local heroes. Then two Irish unions began to fight in the Ferenka plant. The company decided it didn't want to stay in Ireland any longer, and 1,400 jobs were lost.

"The biggest problem with the workers here," says a manufacturer from the U.S.A., "is that they're still basically farmers. If the weather's good, they're more likely to want to go get the hay than clock in for a day on the assembly line. After all, the family land is very important to them. So what we've done is institute a split-shift system during the peak agricultural months, giving every man some time off daily to get the chores done."

Irish workers are unskilled and

often unschooled. "Some American companies prefer this," admits the manufacturer. "It's like writing on a blank slate. You can train them to do the job just as you want them to do it without having to erase bad old habits."

To solve the lack of skilled workers, the IDA works with Ireland's Industrial Training Authority (ANCO) in operating 10 permanent training centers and several temporary schools around the countryside.

"We'll also provide grants of up to 100 percent of the cost of agreed training programs for workers in new industries," adds Connolly Cole, who heads the IDA office in Copenhagen. Half of the costs for this training is paid by the EEC Social Fund, the only EEC assistance the IDA gets. All its other funds come from the Irish taxpayer.

The slight cloud on the IDA

horizon is that the tax-free incentive for export profits is due to run out in 1990, now just more than a decade away. That could be amended at the whim of the Dail, the Irish legislature, and most insiders seem to feel that the date would be extended if cutting it off tended to dampen IDA results.

There is now competition from other countries and regions offering similar incentive deals. Wales and Northern England have sales teams out, stalking the same list of prospects being wooed in Ireland.

Also, an Irish ecological lobby has recently emerged, complaining that new plants would destroy natural beauty and wildlife. The drug company, Schering-Plough, recently pulled back from signing a deal with the IDA after local residents protested about danger to the atmosphere.

Triply Clean

Merck, a German pharmaceutical company, successfully met the ecologists' challenge when choosing Ireland for the site of its largest single investment outside the United States — a \$70-million factory in the Suir Valley at Ballydine, Tipperary.

"Naturally, the arrival of a large chemical plant in the depths of the countryside caused a bit of a stir," says a company representative. "But we took the initiative to make sure that the people understood what we planned to do, before opinions hardened on the subject."

The water from the river used in the plant is triply cleaned by filtration, chemically and biologically, before being put back in the stream.

When Merck found that its plant made it the possessor of a half-mile of fishing rights on the river, it promptly gave the rights back to the Clonmel and District Anglers' Club, which had owned them previously, with only one proviso: that its employees could fish, too.

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A Special Report

French Provinces Need Firm Industry Commitments

NANTES (IHT)—France's regional policy needs a major overhaul if it is to adjust to and survive the strained economic outlook for coming years, according to DATAR's commissioner for industrialization in the West Atlantic area, Mr. Jacques Voisart.

"There has been no fundamental remodeling of France's industrial geography," Mr. Voisart states. New units were added in the regions, while old ones were kept running in traditional areas—increasingly staffed by migrant workers. But we can no

longer gamble on strong growth or increasing foreign investment to cancel out mistakes.

Mr. Voisart is urging DATAR to put maximum muscle into its present negotiations with major French industrial companies on their future industrial location and expansion plans.

Investment Decisions

"France's future regional development will be determined by their investment decisions—and how far the Parisian industrial establishment resists the tempta-

The relocation of university and government electronics research units to central Brittany led to the emergence of a flourishing electronics sector—though the industry's dependence on government contracts is also seen as a factor deciding many firms to set up in the area.

tion to abandon balanced regional growth as a priority in favor of, for example, a massive export drive. There is a major risk of companies just extending existing units, rather than creating new ones in areas with environmental and transport drawbacks, like the West Atlantic. And they will prefer developing heavy, high-technology industry to areas with a strong industrial base.

Without firm commitments from industry, Mr. Voisart also fears the anarchic development of sub-contracting activities and major employment problems in some regions.

Showcase

West Atlantic is a case in point. Mr. Voisart's 91,000-square kilometer parish, covering the western tip of France—Brittany—and the Loire estuary, is hailed as a showcase of successful regional development.

With the aid of a hefty amount of regional development funds, 130,000 industrial jobs were created in the area, infrastructures and agriculture were modernized, and the population outflow halted.

The relocation of university and government electronics research units to central Brittany led to the emergence of a flourishing electronics sector—though the industry's dependence on government contracts is also seen as a factor that influenced many firms to set up in the area.

Salvaging Firms

"Three out of the four new jobs created in Brittany," Mr. Voisart points out, "were created by local firms, but their expansion was closely linked to the activities of national and multinational firms in the area. And they are preoccupied in the consumer goods, sub-contracting and services sectors. Apart from a few industries around Nantes and St. Nazaire the region as a whole has failed to attract a strong enough base of capital goods and intermediary industries. Now many small firms are in difficulty. With my 32-person team I spend at least half my time helping to salvage them—and the jobs they provide."

Commando Tactics

The "commando tactics" of former naval officer Mr. Voisart and his team, which have helped find new financing or partners for over 120 local firms in the last two years, are bitterly criticized by some local businessmen, as "running a first aid station."

(Continued from Page 1)

work of country-wide access points to computerized data processing and retrieval facilities (the "Transpac" system).

This improvement in infrastructures has been accompanied by a nationwide policy of developing industrial zones and the beginnings of a decentralization process for research and banking facilities. Toulouse has thus become the second "science" town in France, concentrating research facilities in the aerospace and related sectors, and Lyon is now the second banking center after Paris.

Limited

DATAR's own financial means are limited (its 1978 budget for the regional development fund totaled 258 million francs or \$50 million), but its funds have a catalytic function.

On DATAR's investment map of France can be found the names of most of the leading U.S. and German industries. There are also some British, a few Swedish, Belgian and Spanish—but almost no Japanese—names. Since 1971, DATAR estimates that some 50,000 jobs have been directly created by foreign investment (21,000 by U.S. firms, 17,300 by German), which have benefited from subsidies of up to 25 percent of total capital investment or 25,000 francs per job created (\$5,000). Mr. Essig points out that a lot of new investment decisions have been hanging fire awaiting the outcome of last month's crucial legislative elections. Others, he admits, are stalled by exaggerated fears of "bureaucratic complications and a troubled labor climate." But he points out that U.S. investments in France nevertheless rose 25 percent in 1977, with several U.S. firms either expanding commitments or moving European headquarters to France despite electoral uncertainties.

Groundwork

Much of the groundwork for attracting foreign investors is done by DATAR's overseas offices, or offices in New York, Los Angeles, Frankfurt, London, Madrid, Barcelona, Bilbao,

play in giving jobs to the 50,000 or more job seekers who will arrive each year on the West Atlantic's labor market for the next 10 years, assuming the French economy continues its modest growth rate. Mr. Voisart states. Their effectiveness, however, will be conditioned by the overall pattern of French industrial investment, as well as by a true decentralization of economic, political and administrative power to the regions.

If French growth stagnates, and regional development becomes a poor relation of the French economic policy, Mr. Voisart foresees a 12-percent unemployment rate in his area by 1980—"an intolerable situation."

—V.W.-L.

Roads No Longer Lead to Paris

But major headaches and hard choices lie ahead for French regional policy, not least the restructuring of the steel industry in the Lorraine, which local businessmen claim will generate major difficulties in the sub-contracting and tertiary units...

Stockholm, Rome and Tokyo, as well as during the fairly frequent flying visits abroad by both Mr. Essig and DATAR's five regional commissioners.

Until recently, the key feature of DATAR's approach was the development of urban counterweights to Paris—Nice, Grenoble, Rennes, Rouen, Clermont Ferrand—plus the eight "equilibrium poles" of Lyon-St. Etienne, Lille, Aix-Marseille, Toulouse, Bordeaux, Nantes, St. Nazaire, Nancy-Metz and Strasbourg.

But as these poles began to develop "big city" problems and the rural exodus continued, DATAR policy became increasingly concerned with rural areas, and small towns.

Contracts

Since 1974, 59 contracts have been concluded by DATAR with medium-sized towns to revitalize city centers and historic districts and to develop their economic, cultural and tourist potential. Contracts provide for an array of financial aids from DATAR and other public bodies. Eighty-five contracts *du pays* have been concluded with small rural zones and another 80 are under negotiation.

A series of major programs has also been launched for the particularly backward rural areas with high unemployment rates—the Massif Central, the Alps, the Pyrenees, Corsica, Brittany, Dordogne, and Languedoc Roussillon. The rural renewal program budget totaled 312 million francs in 1978 (\$60 million) with an additional 80 million francs being allocated to a special program to create non-agricultural jobs in rural areas.

Separate interministerial missions have also been established (with their own budgets) for the Languedoc and Aquitaine coastal areas and the Mediterranean. A

special conservation mission has been charged with acquiring some 10,000 hectares in coastal areas by 1980.

Technology Park

A "technology park" has been launched near Antibes, with several French research units and foreign firms already setting up there. Mr. Essig sees DATAR continuing to make a major effort to decentralize research into the provinces, to act as a magnet for industries.

But major headaches and hard choices lie ahead for French regional policy, not least the restructuring of the steel industry in the Lorraine, which local businessmen claim will generate major difficulties in the sub-contracting and tertiary units, and a major shortfall of jobs for new labor market entrants "which DATAR officials seem quite unable to perceive."

But Mr. Essig sees little hope of any future French regional policy coherent with the present international environment making much of a dent in France's pool of one million unemployed, though he hopes that ongoing negotiations with 64 major French companies on future location plans, and better EEC co-ordination of regional investment incentives will boost France's prospects.

Like persons from the provinces, Mr. Essig sees present regional policy as too centralized. DATAR's efforts to persuade ministries, and companies, to decentralize have had limited success so far.

True regional devolution must result from a major political decision to put muscle into the timid 1972 reforms, he says. Then DATAR can concentrate on major national priorities, leaving most details to regional bodies.

"We soon reached agreement with the appropriate authorities. In doing so, we discovered in the Ministry of the Economy and Foreign Trade of the City of Bremen an authority that works with less red tape and more speed than almost any we have ever come across before."

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Spokesman of the Board of Management
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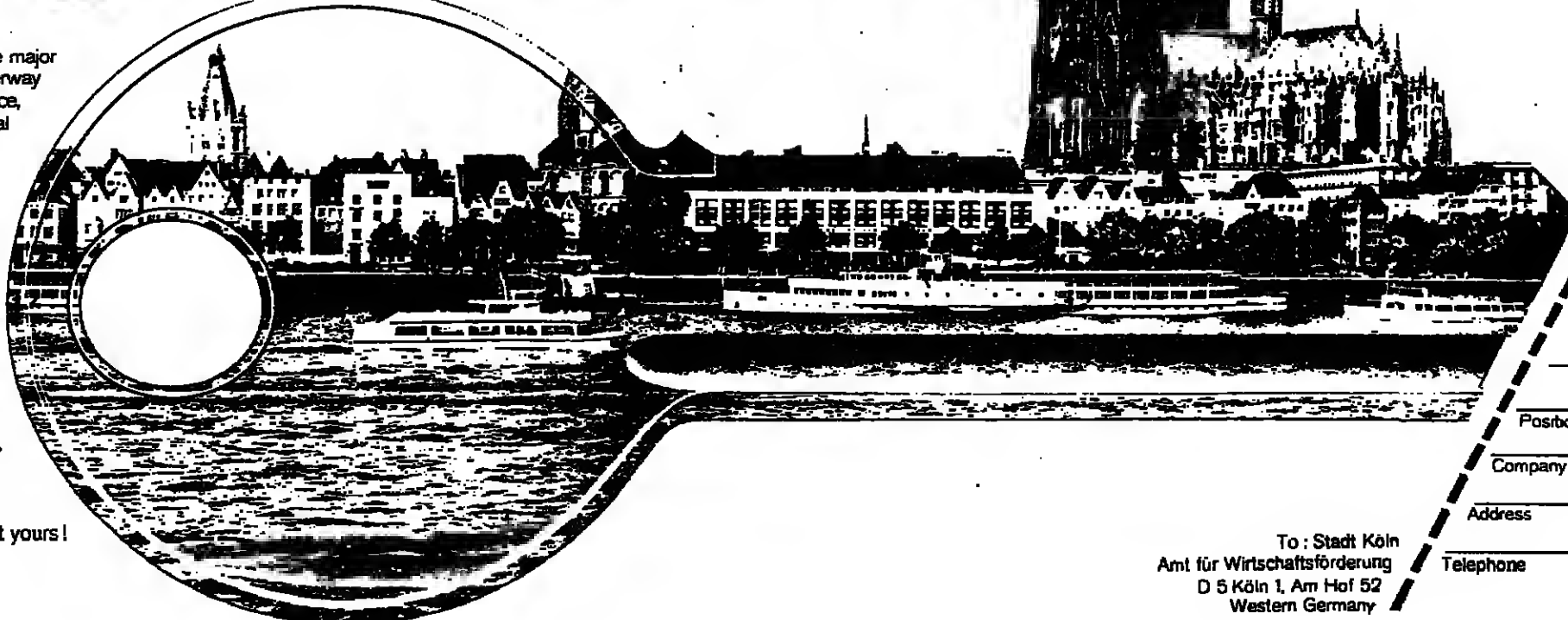
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A Special Report

Spanish 'Sodis' Offer Helping Hand Rather Than Handout

By Harry Debelius

MADRID (IHT)—"Save Gredos." "No development in Gredos." "Make Gredos a park." Such slogans sprayed on walls all over this city have converted the lovely Gredos mountain area, about 60 miles west of here into a symbol of Spaniards' growing anxiety about the quality of life and about development for development's sake.

In the final quarter of 1977, the rising line on Spain's unemployment graph crossed the one-million mark—for a total labor force of approximately 13 million—and the line is still pointing upward. The government made an emergency \$76-million grant at the end of February for make-work projects in the three regions hardest hit by the current recession: Andalusia in the south, Extremadura in the west and, far off in the Atlantic, the Canary Islands.

At the same time, vast projects that could employ many Spaniards are stalled or moving very slowly. The projects are unpopular, and Prime Minister Adolfo Suarez's Center Democratic Union party is anxious to avoid identification with them.

Projects

Such controversial projects include:

- The ambitious proposal to pump water from the Tagus River over a lofty mountain range, and through a 20-mile tunnel to the Segura River in the Mediterranean watershed, in order to get the most out of Spain's limited water resources.

- The hotly disputed construction of a road through or along the coast of Europe's largest wildlife preserve, the Coto Donana in the southwestern province of Huelva.

- The much needed and much maligned superhighway for the underdeveloped northwestern region of Galicia, plus nuclear power plants in the Basque country and elsewhere in Spain.

Many of the arguments for and against such projects are good. Some observers feel, however, that rather than acting as a referee, the Suarez government has generally put off decisions. By failing to take a firm stand on each public-works issue, the government has unwittingly allowed the parties of the left to seize the issues of purity, quality of life and ecological balance. Spain's leaders have let the onus of decades of reckless development, with no heed for ecological balance and sociological factors, fall squarely on their own shoulders, these observers feel.

Notwithstanding Spain's current economic doldrums, the people learned under Gen. Francisco Franco to be highly suspicious of the motives behind any development project and to look for safeguards to protect the rights of residents of the area in question. Now they do not hesitate to raise

their new democratic voices in protest.

Official efforts to solve the energy problem through nuclear power, for instance, are meeting with severe opposition in the form of marches, public assemblies and even bombs at construction sites. But it is not a one-sided argument. While Spain undoubtedly needs to develop its own energy sources, it is equally true that the decision on where to locate nuclear power stations was based as much on motives of private profit as on the nation's needs.

If development was reckless under the Generalissimo—a jungle of Bilbao air or an eyeful of urban chaos at Torremolinos is sufficient illustration—it was nevertheless planned to some extent. Whether as a result of, or in spite of, successive overall official economic plans, Spain boomed.

The key element in such plans for regional economic progress was known as the development pole. It was supposed to attract industry as a magnetic pole attracts iron filings.

For the most part, however, the

results of the Franco regime's development poles were not impressive. The poles generally fell far short of their goals; the importance of infrastructure in a developing region was frequently overlooked, and they did not halt the tide of emigration from underprivileged areas. Not surprisingly, post-Franco governments have sought different formulas to boost the fortunes of citizens in backward areas.

Taking the place of the rigid comprehensive plans of the past is a new flexible program based on an entirely different concept.

The new program leaves area development to private industry through a huge public-private hybrid, the National Institute for Industry (INI).

This concept incorporates a hard-headed business approach and casts INI somewhat in the role of a merchant bank, helping to finance and arrange financing for promising business ventures. It is different from the classic public-sector financing of area development in EEC countries.

INI controls four industrial development corporations, known in Spanish bureaucratic vernacu-

lar as *sodis*—Sodiga in Galicia, Sodican in the Canaries, Sodican in Andalusia and Sodica in Extremadura. The *sodis* have barely enough funding to meet overhead and to make limited investments in small- and medium-sized companies. This is oow for INI, whose role up to now has been almost invariably in big business. *Sodi* administrators do not go into an area with any preconceived global plan for development. Their aim is to stimulate the growth of profit-making activities and employment by offering know-how and by organizing the necessary investments.

The big difference between a pure public-sector program and the *sodis* is that INI and its partners in the chosen development areas are out to make a profit if possible—and as far as INI is concerned—at least to cover the costs of counseling and financing. Furthermore, the *sodis* cannot become a permanent crutch because the life of each program is limited by law to 10 years.

Functions

"The *sodis* are really catalysts for regional development," INI foreign relations director Adriano Gomez Molina said. "We don't want any invariable firms in the program."

The first *sodi* was set up in 1972—five years before Gen. Franco's death—as a pilot program designed to help the general's native region of Galicia. The others were established by royal decrees in 1977.

Their functions, in the words of one of the decrees, include "carrying out surveys for the purpose of stimulating and promoting industrial development, as well as lending all kinds of assistance, whether technical, administrative, financial or economic, fomenting joint action among firms in the region which will tend to improve business organization for a more competitive position, promoting investments in the region, sharing in the ownership of existing or newly established companies."

The prime source of financing for firms under the *sodi* program is the national network of savings banks, which have been officially encouraged to give preferential treatment to investment prospects within their own areas. INI usually becomes a partner in such business ventures, however small, with an average share of 35 to 40 percent.

New as it is, the program already has some success stories to tell. In the Canary Islands, Sodican promoted a company that markets an irrigation system especially adapted to banana plantations.

Drop by Drop

The system, which waters the roots of each banana plant continuously but only drop by drop, has proved to have several advantages over the traditional sheet wa-

tering system that inundates whole plantations. The new system is cheaper, saves water (which is in very short supply in the Canaries) and the plants seem to do better.

Insistence on sound business prospects naturally limits the

number of INI partnerships in its regional development programs. In 14 months of operation in Extremadura, it studied about 70 proposals and chose to share in only 10. In Andalusia, the proportion has been higher—10 out of about 40. In the Canaries, the

program has spawned only three partnerships with INI.

The nature of the *sodis*, with their preference for small and medium-sized enterprises and the *sodis* limited funds, prohibits them from aspiring to the all-encompassing role of the classic

area development programs. This offer, leads to misunderstanding on the part of local officials and businessmen about what *sodi* can do for them. It sometimes takes a while for them to realize that the *sodis* are offering a helping hand rather than a handout.

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A Special Report

EEC Joint Fund to Solve Regional Issues

(Continued from Page 11)
industrial or service sectors that create new jobs or guarantee existing ones. The amount of aid depends on the number of jobs created, but typically covers up to 20 percent of the investment.

• To finance infrastructure such as roads, electricity and water supply in mountainous and other difficult farming areas or infrastructure linked to industrial development. This can cover up to 30 percent of the cost of the investment.

The money is given as soon as the government concerned demonstrates that the work is being carried out. It is then paid directly to the investor or, as is more usually the case, straight into the national treasury as a reimbursement for national aid already spent on the project.

Thus, in large part, the fund consists of an exchange of resources from one nation to another. According to Michael Herbert, an Irish member of the European Parliament, only 40 percent of the grants distributed by the fund constitute a true transfer of resources. He said the rest of the allocations are simply recycled among states.

Most people in the EEC would find it hard to say what the ERDF is or what it has done for them. Only recently has its name appeared at construction sites where it is making a contribution.

All applications to the fund must be first processed through the national governments. From the beginning, France refused to agree to the proposal that beneficiaries should be allowed to apply directly to Brussels. In any case, the EEC Commission does not have sufficient staff to administer the fund directly or even to control all the spending.

The fund has been increased to \$700 million a year. And under new rules still being worked out, the EEC Commission will have part of the total—probably about \$120 million annually—to spend on development projects outside the national quota system.

The fund is small in comparison to the need. Total ERDF aid

locations during its first three years equaled about half of Luxembourg's GNP. France alone spends 17 times the entire EEC budget on regional development.

EIB Loans

ERDF is one of several aid mechanisms which directly or indirectly channel grants and loans to the regions. All told, more than \$12 billion at current prices had been made available for various social, regional and development purposes up to the end of 1976. The largest part of this was in the form of loans by the Luxembourg-based European Investment Bank, which provided \$7.2 billion for development projects. Three-quarters of the projects were in the community's less favored regions.

But the bank's actions are independent of the commission, and its loans—usually at commercial rates—are subject to iron-clad guarantees. Last year, the bank loaned nearly \$1.9 billion, of which a third went to Britain, where the biggest beneficiary was the British Steel Corp.

Loans by the European Coal and Steel Communities totaling \$4 billion at current prices contributed to the creation of some 110,000 new jobs for displaced workers in the coal and steel industries.

Between 1973 and 1977, approximately two million persons were given aid by the European Social Fund to train for, and find, new jobs. But six million people are unemployed in the EEC, and nine million more jobs will have to be found between now and 1985 because of the baby boom in the 1960s.

The commission has said it would like to use this discretionary part of the fund to compensate disadvantaged regions for the adverse effects of the economic situation and to repair damage caused by the commission's own policies. For example, the decision to rationalize—which essentially means to modernize equipment and lay off workers—the steel, shipbuilding or textile in-

dustries would be partly offset by ERDF aid.

Needs vary greatly. Rural underdevelopment creates a different set of problems than industrial decline.

In the last two decades, employment in agriculture in the EEC has fallen by half, or more than 10 million workers. Farming is the problem regions is often based on tiny and undercapitalized holdings which are not capable of supporting a family. Energetic youngsters leave to find factory jobs. The old remain. An estimated two-thirds of farmers in the development regions are more than 55 years old.

These regions—mainly in southern Italy, southwestern and western France and western Ireland—find it difficult to attract non-agricultural investment.

A number of things must be done: create employment in order to stabilize the population; provide roads, running water, schools and hospitals; and give financial incentive to older farmers to leave their land in the hands of younger men prepared to apply modern methods.

Mediterranean

The EEC Commission last year submitted detailed proposals for Mediterranean agriculture which would improve the situation of rural communities in Italy and southern France. The emphasis, according to commission President Jenkins, "will be on methods of help which avoid the build-up of wasteful surpluses." This would be unlike the results of the EEC's Common Agricultural Policy for dairy products, with its notorious "butter mountains."

CAP, which maintains prices for agricultural products, keeps many marginal farmers in business and also aids those working mountainous or other low-productive land. Of the EEC's total budget of \$11.5 billion in 1977, more than three-quarters was spent on CAP, mostly for price support. Only a small fraction went into boosting living standards in development regions.

As some EEC officials explain

it, there is little scope for selectivity. CAP sustains prices everywhere, making it tantamount to a heavy subsidy for rich farmers in the rich regions. Richer farmers are able to invest more and obtain more matching grants than the poor ones, and thus the rich-poor differences increase instead of diminish.

The second main regional problem is the decline of traditional industries. An example is coal. Production has fallen by half in 20 years and employment by more than a million. Wallonia, Limburg, the Ruhr, the Saar, northern and eastern France and several parts of the United Kingdom are coal regions suffering severe decline.

It is difficult to create jobs and solve the environmental problems left over from the years of prosperity because of economic difficulties and high unemployment elsewhere in the EEC.

Even in the richest and most central parts of the EEC, regional problems exist in cities suffering from congestion and inner decay. Here the aim is to divert economic activity to less congested areas and at the same time to develop declining inner city areas.

The EEC's frontier regions best typify the problems caused by its failure to have a supranational regional policy that could treat the question on a broad rather than on a national basis. Some neighboring regions in different countries suffer from inadequate roads and communications or from income and legal differences between states. The area along West Germany's border with the Eastern Bloc has particularly acute problems all its own.

Regional divergencies within the EEC can only be expected to widen with the entry of the three present candidate countries, Greece, Portugal and Spain.

Some EEC officials point out that the new members will make a coordinated, supranational regional policy more desirable. They say such a policy will be necessary to avoid a fatal wasting away of the depressed regions and excessive concentrations of wealth elsewhere.

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